

AUGUST 15, 1933

AUG 17 1933

The Magazine for
MARKETING EXECUTIVES

SALES

management

Redesigned Products,
New Sales Policies,
Lift Taylor Sales . . .

Buyer Ballots Give
Van Dyck Advertising
a Copy Theme . . .

Spot News on NRA

TWENTY CENTS

CHAMPIONS:



TOMMY HITCHCOCK
is the ONLY POLOIST
HOLDING the TEN-
GOAL HANDICAP

● To Tommy Hitchcock polo is as natural as breathing. His father played on America's first International team in 1886; his mother taught him to ride, balance and swing. At 16 he was proudly displaying battle-won cups. Today he is every inch a champion.

Another Champion:

● The Los Angeles Examiner! A quality product at a quality price, intelligently edited for a quality readership. Year after year, so resultful is it for its advertisers that, in all kinds of times, it carries by far the largest seven day General Display lineage in the territory.

We point an instance in proof . . . P. T. M. Formula is sold direct to consumers through four newspapers in Los Angeles. Its price is \$5. Now, read below what a checkup shows:

<i>Paper</i>	<i>Cost Per Inquiry</i>	<i>Cost For Sale</i>
EXAMINER	19c	60c
2nd Paper	63c	\$2.21
3rd Paper	65c	1.80
4th Paper	\$1.06	4.54

There's the score on P. T. M. Any Boone man can cite you many others to prove that the final test of a newspaper's worth lies beyond all statistics except those of success.

LOS ANGELES EXAMINER

The Largest Home Delivered Circulation in Southern California

REPRESENTED NATIONALLY BY THE RODNEY E. BOONE ORGANIZATION

CHICAGO NEW YORK PHILADELPHIA
 DETROIT BOSTON CLEVELAND ATLANTA
 SEATTLE SAN FRANCISCO LOS ANGELES

FOUNDATIONS!

**ONLY LIVING ROCK
COULD SUPPORT the
BULK of the WORLD'S
LARGEST DAM**



● Hoover Dam—The mightiest project of its kind ever conceived by man! It will rise 730 feet in the air, will be 650 feet thick at the base and 45 feet thick at the top. Only nature's very backbone could provide an adequate foundation for such a structure!

Another Foundation:

● The San Francisco Examiner—foundation of successful advertising campaigns in Northern California.

San Francisco, focal point and distributing center for the rich Northern California market, offers a true barometer of business conditions in this lucrative territory. In June, cargo tonnage over San Francisco Harbor increased 12% over the same month last year . . . Postal Receipts were up 18% . . . Bank Debits increased 4% . . . New Car Sales jumped 44%!

Start BUILDING in this market! Make the San Francisco Examiner your foundation! Take advantage of reader interest so great that it influences the buying habits of more consumers in Northern California than any other individual sales medium!

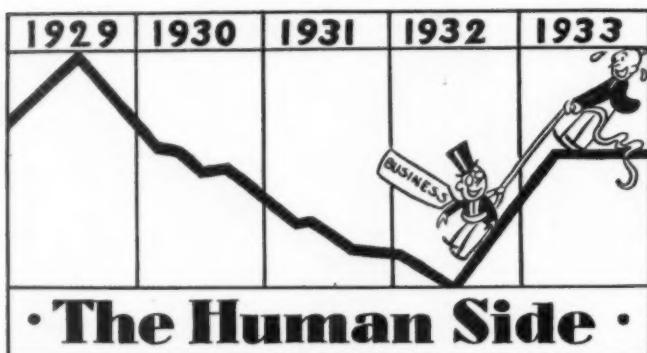
Ask any Boone man to tell you how, through using the Examiner as a base, you can best cover the ENTIRE San Francisco-Northern California Market at minimum cost!

SAN FRANCISCO EXAMINER

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REPRESENTED NATIONALLY BY THE RODNEY E. BOONE ORGANIZATION

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Salesmanship a la Caspar Milquetoast

Behind the strange anomaly of a business which built itself on the spontaneous combustion plan during our late Biggest and Worst Depression lies a rather interesting story.

Russell Wright had been in the theatrical business as a scenic designer and a protegee of Norman Bel Geddes. But between seasons he found himself with time on his creative hands. In puttering about his workshop Wright fashioned some foolish, grotesque little animals: long-legged calves, awkward colts, roaring lions, dachshunds and elephants. He decided to translate his drawings into three dimensions. He made them himself, in metal, plated with chromium.

Up to this point the things had been done for his own amusement, but everybody who happened to get a squint at the funny little objects thought they were grand. His friends urged him to market them.

The mention of the word "selling" struck terror to Wright's heart. But he knew there was a little shop on Madison Avenue, operated by one Rena Rosenthal, which specialized in oddments of decorative appointments. Timidly he approached Mrs. Rosenthal with his suitcase packed with metal animals. She bought the whole lot—and had sold them before Wright had recovered from the shock of having "marketed" something.

Being essentially practical, Wright decided he wanted to make something useful as well as decorative. Liking to work with metal, he experimented with some tall highball "glasses" done in aluminum, but finished with a brushing process that gave the metal an odd spun surface. Wood and aluminum trays completed something new in an informal beverage service. Rena Rosenthal liked these, too, and she sold enough of them to enable the Wrights (Mr. and Mrs.) to comb the city in search of a good buy in second-hand machinery.

Mrs. Wright found just what they needed down on New York's lower East Side, and while her husband and a machine operator turned out metal services in modest quantities, she started forth to widen the market. Ignorant of the ways or whereabouts of department store buyers, Mrs. Wright took her samples to the gift department of Stern's, 42nd Street. Scared, she asked a salesgirl where the buyer was. The girl must have been sorry for her, because she led Mrs. Wright to the proper office herself and introduced her.

The buyer's merchandising sense ignited the minute he saw the shy caller's wares. He ordered. Soon Stern's were buying all that the Wrights, with their limited capital, equipment, space and personnel, could turn out. Then Wright conceived another idea for a product he couldn't make himself.

Someone told him the housewares buyer at Wanamaker's would be sure to know of a manufacturer who'd make the stuff for him, and with his models under his arm Wright trudged to Astor



Place to ask for information. This, too, resulted in an order—one big enough to warrant the purchase of machinery to turn the idea into merchandise.

By this time more space became imperative and the Wrights took over a building on East 35th Street, New York City, which had formerly been used as a stable. The big front door, through which horses had once drawn wagons, was converted into a show window, the front half of the ground floor being used as a showroom. Machinery was installed in the back half of the ground floor and the second floor became a drafting room.

Now, a little more than two years after Wright's somewhat precipitate introduction to manufacturing and selling, his products are being sold on a nation-wide scale, through many of the best department stores.

Along with his manufacturing activities, Wright renders product design service to such manufacturers as Wurlitzer, Chase Copper & Brass, Wearever Division of Aluminum Company, etc. He says he's no longer scared of selling, but wouldn't dare to approach a prospect unless he had an idea or product he was sure the prospect could turn into money. Not a bad selling philosophy, that.

Frigidity vs. Bulging Muscles

Bernarr Macfadden got his idea for starting *True Story* magazine from the thousands of letters which came in from readers of *Physical Culture* concerning their personal problems, especially those dealing with family relations.

John F. Carter, smart business manager of *Physical Culture*, has carried the idea a step further. He has a dual selling problem—selling both circulation and advertising, and, generally speaking, the more he can sell of the former, the more success he has in selling the latter.

The success of many companies in increasing sales through stressing human interest problems convinced him that prospects for a wider market for *Physical Culture* newsstand sales might be reached if the promotion copy stressed these personal problems rather than diet, health and bulging muscles.

As a test with their July issue, he prepared some promotion copy which he ran in *True Story* and *True Romance* group (sister Macfadden publications), in which he played up a specific article entitled "Frigidity," and with an attention stopping headline, "The Tragedy of Her Wedding Night."

Usually the poorest seller of the year, this July issue ran up a 25 per cent increase in newsstand sales over the June issue. The August issue, which was promoted under the heading, "The Dreaded 'Other Woman' Talks to Wives," scored a slight increase over July.

This demand for "heart stuff" rather than "health stuff" seems to prove that there may be overlooked bets on almost any product, and that mechanical features, price and quality are not nearly as interesting to most people as the human interest angles. Will the product make me look younger? Will it make my wife, husband, children, sweetheart, love me more?

What does a young man care about the quality of his car if it has "pick-up" power with girls?

Purchasing Power in Disguise

Harold Laux, Mount Vernon (N. Y.) dealer for Chrysler and Plymouth cars, was selling Lafayette automobiles in the period following the World War. The Lafayette was then one of the most expensive and "doggiest" cars on the American market.

Busy with a prospect one Sunday morning, Laux saw a ragged-looking individual mosey into his showroom and look the models over. This visitor wore bedroom slippers with no socks. Only an undershirt topped his dirty flannels.

SALES MANAGEMENT, published semi-monthly, on the first and fifteenth, except in April and October, when it is published three times a month and dated the first, tenth and twentieth; copyrighted and published by Sales Management, Inc., 420 Lexington Ave., New York, N. Y. Subscription price \$4.00 a year in advance. Entered as second-class matter June 1, 1928, at the Post Office, N. Y., under the Act of March 3, 1879. August 15, 1933. Vol. XXXIII. No. 4.



She's *chef-de-cuisine* for a \$200,000,000 table

WHEN Chicago women were asked (706 interviews) not long ago to name the feature they liked best among all those published by Chicago evening newspapers—

Mrs. Mary Martensen, Home Economics Expert of the Chicago American, stood first on the list!

Big names of the news columns, of the features, fiction and comics—all the heroes of the evening newspaper field in Chicago—bowed to the Chicago American's well-known food authority.

* * * *

It isn't unusual for a newspaper to have a home economics department. It is unusual for that department to find

a reader interest greater than in any other feature of the newspaper.

Helpful service, not commercial promotion, has made Mrs. Martensen's department strikingly successful. Evidence: 80,000 individual requests for help in the last year!

If all that means *anything* it must mean *this*: Chicago American housewives, to an unusual degree, are interested in the happy custom of preparing and serving good food.

* * * *

We submit to sellers of food not only this favorable attitude of mind, but a substantial physical appetite.

Chicago American families—well

over 400,000 of them—represent a \$200,000,000 market for food alone. (The average Chicago family spends \$500 a year for food, it is estimated.)

* * * *

There is only one way to develop fully and most economically this enormous market, this huge share of the food business in Chicago: *Use the Chicago American intelligently and consistently.*

For the American not only reaches the largest evening newspaper group of food buyers in Chicago—

It reaches them most economically with the largest unduplicated evening newspaper circulation.

CHICAGO AMERICAN

a good newspaper

National Representatives:
Rodney E. Boone Organization

and A MIGHTY MARKET FOR MERCHANDISE

SALES management

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Once, during his inspection of a car, he interrupted Laux to ask a question. Irritated by the interruption and displeased by the general appearance of the man, Laux was about to cut him short. For some instinctive reason, though, he did not. He answered the question, told the chap he would be with him in a moment.

After a comparatively short discussion, the sockless prospect paid \$3,000 in cash as a down payment on an \$8,500 Lafayette.

Laux uses this incident to teach cub salesmen the necessity for complete courtesy in dealing with everyone who comes to the showroom. Even an old pair of pants can carry a lot of money, he says.

To the Hurds, a Love Bird

If you stop at a Ralph Hitz hotel and fail to get a bird cage, call the desk and ask "how come?"

New York has been having an epidemic of love birds. Frank Hurd of the *Providence Journal & Bulletin* was the first (and probably the *only*) one to get one as a sample of Hitz service and efficiency. With Mrs. Hurd he was paying New York a hurried visit. They were pleased but not excited by the flawless service at the Lexington Hotel. The service was just too smooth to be eventful.



Then came the love bird. It appeared without warning—whether through an open window or from the hall, they do not know. But there it was.

With tweets and coos and other bird language they coaxed the green and yellow visitor into a corner where Frank pounced upon it with the same avidity he would a 50,000-line contract. Then came the test of the Hitz ability to rise to an emergency.

The Hurds called the desk. Had anyone reported a lost love bird? No. But hold it there—a boy will be up in a minute. And in three minutes by the clock a Hitz flunkey was at the door with a bird cage, completely equipped with bird seed, water and gravel.

"And will Mrs. Hurd accept the cage with the compliments of the management?"

Canny "Cal's" Ideal Committee

The recent election of Alfred E. Smith to the board of directors of the New York Life Insurance Company recalls an interesting anecdote never heretofore published. A small number of important business men, including former President Calvin Coolidge and Thomas A. Buckner, president of the New York Life, were lunching together a short time before the passing of Calvin Coolidge. In the course of the meal Mr. Coolidge remarked: "If the affairs of the American people could be put in the hands of a committee to represent their interests, I think they could do no better than entrust matters to a committee consisting of Alfred E. Smith and Nicholas Murray Butler." It is interesting to note that New York Life now includes in its directorate both members of this "Brain Trust" committee picked by "Cal."

Upside-down for Displays

Miss Rae Warshauer, demonstrator at Bloomingdale's department store, New York, for "Dirt-O-Way," a new paint cleaner made by Blesant Laboratories, discovered that women prospects usually buy the size of package they happen to pick up. In the usual order of display the smallest packages are on top. In this case it was the 25-cent size of Dirt-O-Way. Miss Warshauer switched things around, put the largest size (65 cents) on top. Women bought those instead.

Significant Trends

As seen by the editors of *Sales Management* for the fortnight ending August 15, 1933:

Where Is the Summer Slump?

highly erratic markets are amazed to find that there has been practically no Summer let-down. Labor Day, a traditional turning point, is three weeks away and by that date the Autumn expansion should be under way.

• • • We predicted in June that the Summer slackening would be slight, but even so, we overestimated its extent. Steel operations are down only 3 per cent from the peak, and the movement of railway freight in the week ended July 29 showed a decrease of less than 2 per cent from the preceding week (it was the first recession in three months) but it, nevertheless, marked a gain of 25 per cent over the same week a year ago. In June freight car loadings were 15 per cent higher than in the same period last year, and July saw a further intensification of the gain—28.4 per cent.

• • • Automobile production is at a higher rate than during any Summer in many years. Electric energy, which many observers consider the most dependable of all statistical indices at this time, is maintaining its gain of at least 15 per cent over a year ago, with the only recessions being in the New England and Southern states where there has been a let-down in textile operations.

• • • The Irving Fisher Index of Business Conditions revealed that the month of July was only 34 per cent below normal—the best showing in three years. In February it was 54.1 per cent below. In July there were gains in seven of the ten factors used in computing the index. Right now the curve is leveling off; the pace from March to July is too steep to be maintained indefinitely.

• • • Although highly speculative commodities have dropped in recent weeks, we must remember that the Government program is based on an average of 784 commodities whose price level in 1926 was 100, and that we are now 35 per cent below that Government objective.

Look for Rising Prices

doubt that the President is determined to get prices back to the 1926 level. The *how* of this is still uncertain—whether it will be done by natural forces plus NRA plans, or whether there will be actual inflation, but the important point is this—*look for rising prices and do not sell commodities short*. The present move to hold down prices is only temporary. It will be lifted (but with continuing restrictions against profiteering) as soon as purchasing power is increased.

Those who base their reckonings on the actual state of trade as revealed by business barometers rather than by the behavior of the

• • • We now have a new kind of Supreme Court—one set up for business alone, to carry through during the war against depression. The new board of mediation is set up to settle strikes in the period before industrial codes are completed, and to arbitrate differences under the codes. Because it is attacked by labor groups on the ground that it favors capital and because the conservative press says it is distinctly pro-labor, we are inclined to believe that the President made a happy choice of his seven individuals.

• • • What is the potential market for your product in South America? The Government is determined to build up trade in the Americas. President Roosevelt told a South American Ambassador the other day: "Sell us your yerba mate tea. It is an excellent tonic. It is something which does not compete with anything we produce. Advertise, cultivate the American market, build up a profitable business." This is a further indication that the President believes that manufacturers should indulge in the same vigorous promotion which he employs in carrying out his own policies.

• • • And speaking of markets—how about the farm field? The cash income of the country's farmers in June was about \$388,000,000, which is 37 per cent more than in the same month last year.

Construction— and Planning

Up to the first of the month the total authorizations of emergency public works funds had passed the \$1,000,000,000 mark. In other words, in six weeks nearly one-third of the total fund has been allocated in an effort to speed re-employment and restore purchasing power. Most of the money allocated thus far has gone for Federal projects because they provided work at once for large numbers of men and because the decentralized state public works boards had to be set up before advances could be made safely to states, counties and municipalities.

• • • The two barometers of capital expenditures are construction and new financing. The latter will be held back through the restrictive clauses of the new Securities Act, as well as by fear and uncertainty. Construction should have a decided pick-up over and above actual allotments for public works if the Government plan is to be a success, because of the Washington theory about regenerative projects as explained on page 104, *SALES MANAGEMENT* for August 1.

• • • Either the NRA will work or it won't work, but it is certainly true that we are in for an era of Government planning. Last week a board representing the following Government departments—NRA, Agriculture, Interior, Commerce, Labor, Reserve Board—was set up to act as a central statistical agency for which there is no parallel in our history. In the past, statistics have been gathered by various departments, but they were never correlated and there never have been satisfactory figures on such important subjects as water and truck transportation,

month to month fluctuations in wages and employment, consumer purchases, consumer credit, rental costs, and production statistics for such articles as clothing, hardware, and packaged foods.

• • • Such a board should be able to detect unfavorable trends much more quickly than at present, and much as the average manufacturer dislikes the idea of Government interference with his business, industries would have been much better off if, in 1929, there had been a central board which would have pointed out the alarming excess of production over the power of consumption.

Retail Trade—the Neck of the Bottle

ery Ward, with a combination of mail-order and chain business, showed an increase of 15.3 per cent. The Chicago Mail Order Company reports a July increase of 28.9 per cent in sales, and 27.9 per cent in orders. The June department store figures showed no unhealthy expansion of inventories. Sales were within 4 per cent of last June, but stocks on hand were away down as reports from these Federal Reserve Districts show:

District	Sales	Stocks
	June '33 with '32	June '33 with '32
New York	-5.1	-12.2
Philadelphia	-4.1	-14.7
Richmond	-7.3	-11.0
Atlanta	-3.4	-21.9
Cleveland	+0.7	-20.1
Chicago	+0.5	-14.4
St. Louis	-0.8	-15.6
Minneapolis	-3.0	-17.0
Kansas City	+1.8	-17.8
Dallas	-0.6	-11.5
San Francisco	-2.0	-14.0

The Federal Reserve Board index of department store sales in July was 69 on the basis of the 1923-1925 average as 100, compared with 68 in June and 67 in May.

• • • For the first six months of the year the Electrical Refrigeration Bureau reports that sales of household models ran 129.8 per cent over quota. Southern, Southwestern, and Eastern Seaboard states made the best showing.

• • • Automobile sales continue on a highly satisfactory level. For the first six months retail sales were 3 per cent ahead of last year. Studebaker's July sales were 42 per cent better than last year; Hudson-Essex July business was 10 per cent better than June; Plymouth has raised its quota (see news story, page 161). Chrysler's July shipments were the highest for that month in any year, and 5 times higher than last year.

• • • The publicity agents for Grigsby-Grunow send an announcement "in the month of July, 29,777 radio receiving sets and refrigerators were shipped from our plant." This is a prize example of an announcement that says nothing. Were 99 per cent of the shipments made up of the lowest priced radios—or what, and so what?

• • • July bank debits for the U. S. A., excluding New York City, were 110.9 per cent of July last year.

Real Red Ink

Repeal of the 18th Amendment will call for an immediate expenditure of 75 million dollars in the national markets by the California wine growers. It is the indirect more than the direct purchases which make the beverage business important as a force in business revival.

• • • A Cincinnati brewery is being revamped and readied for national distribution. They will advertise nationally. They are buying an initial order of 10 Mack trucks; they have ordered 10,000 barrels, 800,000 bushels of malt, 150,000 gross of crowns—and so on. The U. S. Brewers' Association states that the breweries now employ 30,000 workers. That number probably is but a small fraction of those who have benefited from beer's return.

• • • The amusement business is looking up. Movies this Summer regained 40 per cent of their loss from normal, and the sales decreases of the radio chains are narrowing. NBC's half year was off nearly a third from '32 and CBS slightly more. The advertising billing was also less than '31. NBC's July business was off only 20 per cent from last year, and there is very little good evening time available for the Fall.

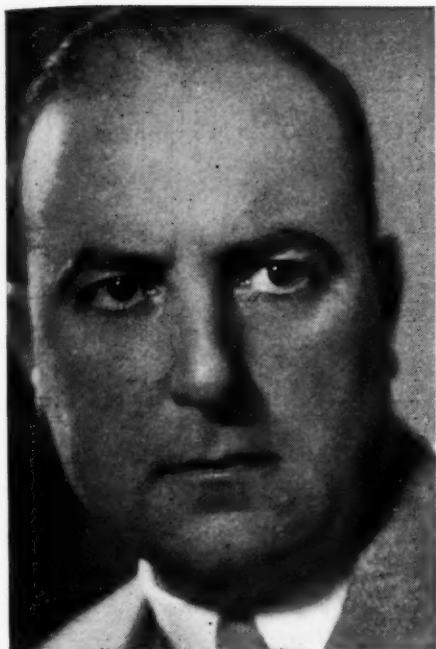
• • • Second quarter reports show a big improvement. Gains in railroad net are phenomenal; General Motors quarter net jumped from 5 million last year to 41 this; Chrysler's from 1 million to 8. Of greater significance than these individual reports is the analysis made by the National City Bank of the first 163 reports to be analyzed:

	In Thousands of Dollars		
	Second Quarter 1932	First Quarter 1933	Second Quarter 1933
Reporting Profits			
Number	80	69	106
Profits	\$63,352	\$46,006	\$108,774
Reporting Deficits			
Number	83	94	57
Deficits	\$58,397	\$66,929	\$ 31,814
Total Reporting			
Number	163	163	163
Pet Profits	\$ 4,955	D-\$20,923	\$ 76,960

• • • The aggressive sales campaign of the Kelvinator Corporation through the Summer months has broken the usual hot-weather slump. Employment has increased and the workers were given a 10 per cent increase. Prices to consumers are being raised September 1 by 12 per cent—on their lowest-priced household model from \$99.50 to \$112.

• • • Because current issues of the *Saturday Evening Post* have been running with smaller folios than appeared for many years before the depression set in, one frequently hears it said that the Curtis Company is operating in the red. The report for the six months ended June 30, 1933, which shows a net profit of \$1,500,726, dispels such rumors but clearly indicates the Curtis Company has quite a way to go before it will be earning full dividends on its substantial issue of preferred stock and enough over to represent a dividend of fair size on the common stock.

• • • Capital and labor were conscripted for reclamation projects and for public works in East Prussia by action of the Nazi regime. The objective is to replace the dole with wages.



To Serve Advertisers: John B. Barry takes the wheel at Advertising Distributors of America, Inc., as national advertising and sales director. Before his appointment he was director of sales of The House of Hubbell, Inc., Cleveland agency handling the Association's advertising and publicity. (See story, page 178)

Who's Now Who



Broadcasts Sports for Oldsmobile: (Left) Ted Husing, CBS's glib sports tattler, went on a nationwide hook-up for Oldsmobile August 1. He is relating outstanding incidents in the realm of athletics. Leon Belasco's orchestra, Barbara Maurel, contralto, and the four Hummingbirds, complete the Oldsmobile show.

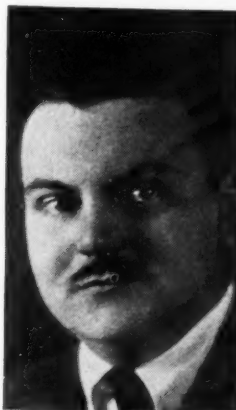
Another Sales Manager Rises: (Below) Stuart Harrison Ralph, for several years general sales manager, has been elected vice-president of the Flintkote Corporation and subsidiary companies, Beckman-Dawson, Richardson and Chatfield roofing companies.



Pierce-Arrow Marketing Chiefs: (Right) Thomas J. O'Rourke, for 26 years associated with Pierce-Arrow, lately in the capacity of assistant to the president, has been appointed general sales manager of the company. G. D. Aberdeen (right below), another P-A veteran, and Kenneth Strachan (left below) market analyst for P-A for five years, were made assistant sales managers.



Promotes Efficiency Abroad: (Left) Frederick W. Nichol, formerly assistant to the president of International Business Machines Corporation and in charge of all foreign business, has been elected vice-president of the company. He will continue to supervise foreign operations of IBM.



Redesign of sales plan follows redesign of products, and Taylor Instrument Companies abandon direct distribution in hardware and drug fields in favor of jobbers

Taylor Finds Consumer Slant for Scientific Line; Sales Jump

(Since redesign of their products was but one of the factors in Taylor's far-flung marketing program, we could not confine this article to "Designing to Sell." That department is therefore expanded this month to include re-design of a whole system of merchandising.—THE EDITORS.)

BY March we had the findings of our market survey digested, and had launched our new merchandising and advertising program. In April our business went ahead 10.4 per cent, in May 10.9 per cent, in June 27 per cent, and at this writing July is running 45 per cent ahead. (And this is the time of year when we ordinarily experience a falling off of business.)

That statement, made after a three months' test of a new sales plan, comes from W. M. Griffith, commercial sales manager of the Taylor Instrument Companies, Rochester, New York.

A Fight on Three Fronts

Three factors played equally important parts in Taylor's recent spurt of progress:

1. Redesign of products.
2. Agency's survey of markets.
3. Formulation of a new merchandising and advertising program (in which the major change was that of switching from a direct-to-retailer as well as wholesaler distribution to wholesaler only so far as their relations with the drug and hardware trade were concerned).

The development of a new line of products, or the revamping of an old established line, very often calls for a new merchandising approach. That was why, not long after the Taylor Instrument Companies had retained Walter Dorwin Teague both to develop and redesign products, Mr. Teague suggested that an intelligent and aggressive sales promotion tie-up would be desirable to make the most

BY
R. S. McFADDEN

out of a fundamentally sound and well-designed line of products.

That the redesign of the line justified backing up to the limit by way of merchandising effort had been proved by the first few items which had been tested in the Christmas season of 1931. When Mr. Teague replaced the "Stormoguide's" homely, wooden case with a handsome one of ebony Bakelite and chromium, sales increased 65 per cent (SM, May 1, '32).

Besides transforming the appearance of the line, Mr. Teague had aimed to build into it a broader consumer appeal. It seemed to him that the time had come when barometers, clinical thermometers, humidiguides, etc., were of quite immediate interest to the general public. Time was when only specialists of one sort or another could afford these scientific devices. Efficient production methods, however, had brought their price down to where they were within the reach of a large part of the consuming public. Who is not interested in knowing what the weather will be tomorrow? How often does a mother feel her child's forehead and wonder if he has a fever? And with the current interest in air conditioning, householders are becoming more and more aware of the importance of temperature and humidity on human health.

Determination of Objectives

But how best to cultivate this potential consumer market for which Taylor was already redesigning its products?

The first step was the selection of Batten, Barton, Durstine and Osborn as their agency. To them was delegated the job of making a thorough

survey of Taylor's potential markets. The study of the market divided itself into three parts:

- (a) Determination of objectives.
- (b) Field research.
- (c) Analysis of facts disclosed and compilation of the report.

The "determination of objectives" was accomplished through consultation by the agency with the sales and advertising departments of the Taylor Instrument Companies. The questions were framed so that they would give unbiased answers to things these departments wanted to know, and so as to get the *actual* opinion of the person interviewed, without psychologically influencing the answer. They found out, for instance, why people did *not* buy Taylor instruments, as well as why they *did* buy them. They found out in what price ranges the most people would buy the most instruments. They found out that most people thought of drug stores or hardware stores as the logical places in which to buy instruments.

What Field Research Showed

The field research was done by personal interview in 41 representative cities and towns from coast to coast. Questionnaires were prepared for consumers, retailers, doctors, surgical instrument dealers, drug and hardware jobbers, hospitals—a total of 5,094 interviews.

Said Mr. Griffith: "From it we learned beyond the shadow of a doubt three salient facts:

- (1) The types of instruments desired
- (2) The range within which they should be priced if they were to be received popularly
- (3) The logical channels through which distribution should be made

"Of course, there was a tremendous amount of comment that opened our eyes to many unsuspected things—

comment which has been decidedly instrumental in the formation of our present policy."

They learned that they were on the right track as far as design was concerned; that they were on the wrong track as far as distribution and advertising was concerned.

Taylor's distribution system had been built up in the days when thermometers were still regarded as rather mysterious, scientific devices, the technicalities of which required a lot of explaining direct to the retailer. The survey had shown that a large percentage of consumers wanted to buy thermometers, barometers, humidity-guides, etc., through druggists and hardware dealers, and considering that there are 57,716 retail druggists and 35,473 hardware retailers in the United States, it was obvious that a staff of manufacturer's salesmen couldn't hope to make anywhere near adequate coverage. The fact was that Taylor's salesmen were able to get around to only a very small percentage of the country's drug and hardware outlets.

Add to that handicap the fact that the direct-to-retailer system of selling was prohibitively expensive both from the sales and bookkeeping standpoint.

A Clean Break with Past

Upon completion of the survey, therefore, Taylor decided to make a clean break with the old system of selling, and to follow the current trend in the drug and hardware line—that of selling through selected wholesalers. The details of the policy were developed in collaboration with the officers of a number of outstanding companies and associations, particularly the National Wholesale Druggists Association, New York City. (After the 100 per cent jobber plan was launched, N. W. D. A. sent out an enthusiastic bulletin to its entire membership, urging distributors to give Taylor full support.)

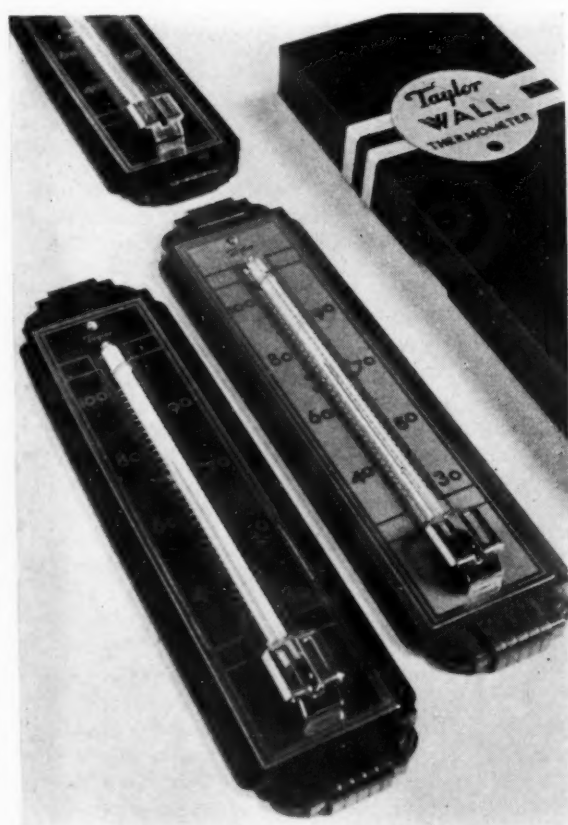
Taylor's aim was to blanket the country with a sufficient representation of wholesalers to secure complete distribution, but to work through as small a number of wholesalers as possible to accomplish this. In other words, they didn't want to spread distribution so thin that their business would be undesirable to a good distributor. And they wanted the most reliable

wholesalers in the country to be glad to handle and push the Taylor line. In order to receive a maximum amount of cooperation from wholesalers of their own choosing, they limited the number of wholesalers in each trading area, and made the proposition even more inviting by offering a 2 per cent discount for cash in ten days, net thirty, as against 1 per cent theretofore.

Upon presentation of their new marketing plans to the Druggists Supply Corporation, Taylor procured a franchise with this group through which they automatically gained *entree* into one hundred and twenty-two of the cream of the wholesale druggists in the country, traveling over 2,000 salesmen, and contacting forty thousand of the fifty thousand druggists in the country.

At the same time, in cooperation with the agency, Elmer E. Way, Taylor's advertising manager, planned a three-years' advertising program on a larger scale than has ever before been undertaken by a manufacturer of instruments. The plan includes space in the following publications: *Saturday Evening Post*, *Collier's*, *Hygeia*, *Parents Magazine*, *Time*, *New Yorker*, *Ladies' Home Journal*, *National Geographic*, *Good Housekeeping*.

A comprehensive schedule of advertising in the leading drug and hardware outlets.



Re-vamping the line was the cornerstone of the Taylor Instrument Companies' plans for expanding markets. Above are three of the redesigned products which have scored a 45 per cent increase for Taylor—wall thermometers that add to, rather than detract from, the pleasing appearance of a room. The backs of these are of molded Bakelite, in blue, maroon and brown. The scales are etched and lacquered to match the backs, with exposed metal chrome-plated. Designs by Walter Dorwin Teague. Photo by John T. Moss.

How Taylor Gave Wholesalers a Picture of the Markets for Their Instruments

This Is Your Trading Area

Marketing Area	BBDO Buying Power Index	Population	No. Drug Retailers	No. Hrdwre. Retailers
Cleveland	2.464	2,890,864	1,220	833
Toledo	0.816	1,037,845	454	352
Columbus	0.885	1,233,580	501	303
West Virginia	0.698	934,755	265	166
Pittsburgh	3.482	3,724,677	1,395	707
Buffalo	1.353	1,294,505	557	247
Rochester	0.733	694,026	265	286
Albany Group ...	2.422	2,446,791	985	767
Watertown	0.207	243,675	86	101
Syracuse	0.584	563,974	230	178
Utica	0.266	266,698	94	73
Binghamton ...	0.322	328,846	136	143
Elmira	0.156	168,499	68	59
Albany	0.887	875,099	371	213
Grand Total	15.051	17,220,909	6,683	4,226



Retail Bonus Plan Sells Higher Priced Merchandise; Sheaffer Urges Wider Use

SO effectively has W. A. Sheaffer Pen Company's selective profit-sharing plan worked in stimulating the sale of higher-priced merchandise, and in increasing individual units of sale, that W. A. Sheaffer, president, last week urged in a public statement the adoption of his plan by other businesses as a part of the general prosperity restoration movement.

Stated in simple terms, Sheaffer's plan calls for a bonus to be paid to retail salespeople by the dealer, as an incentive to push higher-priced, higher quality merchandise, to build up larger units of sale by suggestion, or to push certain lines which, for one reason or another, the dealer wishes to move quickly. Principal point is that the bonus is applied *selectively*, does not offer extra reward for selling low-priced, low- or non-profit merchandise.

That some tangible incentive is needed to win the fullest measure of effort from anyone who sells is too often overlooked in retail selling, Mr. Sheaffer believes.

By way of demonstration as to how such a plan has worked where tried out by his company, Mr. Sheaffer cites a number of examples of exceptional sales results obtained by Sheaffer dealers, during 1932, on \$8 and \$10 fountain pens.

\$10 Pens During Depression

"A salesperson in a Pacific Coast store sold almost \$2,500 worth of Sheaffer merchandise in an 8-week period," he reports. "In looking over the record of this person's sales, one is surprised at the number of \$13.50 and \$15 ensemble sets sold, showing conclusively that this person made an earnest effort to sell the better items whenever it was possible to do so.

"In another store one salesperson sold almost \$1,000 of Sheaffer merchandise in a four-week period and the report shows many sales of pens at \$10, desk sets as high as \$28, and ensemble sets from \$10 to \$15.

"In a jewelry store employing the selective profit-sharing plan, a salesperson sold \$938 in Sheaffer merchandise in an 8-week period, an average of \$117.25 a week. The lowest sale re-

ported during this period was \$2.50 for a golf pencil. There was one sale at \$4 for another pencil, two sales at \$5 for pencils and virtually all of the other sales made by this salesperson were in excess of \$9.50. This salesperson averaged more than \$12.50 per sale. This shows what can be done when the salesperson makes an effort to sell the better merchandise.

"In a small Texas town a salesperson produced an excellent sales record in an 8-week period by selling \$10 fountain pens, ensemble sets as high as \$15, and autograph pens. This individual sold on the average of \$6.20 per sale, instead of selling just low-priced numbers.

Claims Plan Lessens Returns

"I do not think," Mr. Sheaffer states, "that it would be an exaggeration to say that the country's business for any one day could be increased at least 33 1-3 per cent with the same number of people entering stores, through the stimulation of increased effort on the part of all retail salespeople. If a concerted, universal effort were made to sell the higher-priced, better articles, this one thing alone would increase employment, speed turnover of money, and increase wages."

Other advantages claimed by Mr. Sheaffer for selective profit-sharing: brings back courage of retail salespeople by showing them that a real opportunity exists for selling higher-priced goods after an era of unlimited price-cutting; lessens amount of returned merchandise; makes more satisfied customers; gives dealer definite control through which he can put special push behind merchandise which is most profitable for him to sell.

Sheaffer's particular skill in garnering for itself the juiciest slice of the high-priced (and therefore highest profit) business in the field has long been a phenomenon of the fountain pen industry. Parker also has done well on this score. Waterman, with years of prestige behind it, has seemingly lacked enterprise in styling, has been content to go on selling the big volume in lower-priced business. Sheaffer and Parker have confined lines to relatively few items; Waterman has hundreds.

3,000,000-a-week level reached in less than a year through unique voting plan; newspaper color pages twice as effective as b. & w.

B Y

LAWRENCE M. HUGHES

Your fellow smokers wrote this advertisement

Our new 5¢ cigar—Van Dyck "1932's"—has so many great points we didn't know which to promote. We asked smokers to choose their favorite features. Thousands bought, smoked, voted. A great number, marked all six features on the ballot. Value, flavor, and mildness were voted the commanding points.

Here are the Actual Results of the Vote:

VALUE	68.7	FLAVOR	66.6
MILDNESS	57.1	FRESHNESS	52.0
TABACCO	40.1	SHAPE	17.8

Quotations from Smokers' Letters

Van Dyck "1932's" are the best I have ever smoked. They are just what I need.

VAN DYCK 5¢ 1932's

Van Dyck capitalizes on color—and consumer reaction: one of the full-page, two-color advertisements which ran in the Middle West and Texas. The man at the right is silhouetted against a red panel, and red is used also for the logotype and over the illustrations at the left. The ad includes quotations from a number of testimonial letters which were a by-product of the response to "vote for your favorite feature. . . ."

Consumer Ballots Determine Copy Theme for Van Dyck

NOT price alone—nor even value alone—but combined emphasis on six attributes has enabled General Cigar Company, New York, to lift the sale of its 5-cent Van Dyck "1932's" cigar from scratch to 3,000,000 a week in one year.

The new product, introduced in the Far West last Fall, in the Middle West in the Spring, and only now being launched in the East, probably will this year belong in that small more-than-100,000,000 group composed of American Cigar's Cremo, General's own White Owl and Bayuk Phillies.

Instead of being the long-established 10-cent Van Dyck at a reduced price or size, the "1932's" is a new size, designed to appeal to smokers of 10-cent cigars. Though price was and is an important consideration for cigar smokers, General Cigar executives wanted to remove all impressions of price- and quality-cutting. There were, they thought, at least six good things to say about the product: Freshness, flavor, value, tobaccos, mildness and shape. Without bewildering prospects, they decided, in working out an intensive newspaper and point-of-sale promotional program, to impress all these attributes on them.

This was last Winter.

Meanwhile, in the Far West, where

the 10-cent Van Dyck has long enjoyed outstanding leadership and considerable volume, the campaign on the 5-cent cigar had merely emphasized a new value on the strength of the Van Dyck name.

On entering the more highly competitive Middle West, however, the executives realized, the new cigar would have to stand or fall primarily on its own.

So they devised an unusual attack. In full page black-and-white space in three newspapers, half-page run-of-paper color in four, and full page r. o. p. color in thirteen, they invited smokers to "vote for your favorite feature of Van Dyck '1932's'." Admitting that "We're puzzled . . . We've agreed to let you decide the points to feature in our advertising. After trying the cigar you are invited to cast your ballot for your favorite features." Three of six features on a ballot in the corner of the page were to be checked. "To show our gratitude," this advertisement added, "we will send every voter a modest token."

Similar strategy is now being employed in the East.

At this writing, with the Middle West, Texas and Ohio balloting over, with New York, New Jersey, Connecticut and Pennsylvania now being opened up, General Cigar has received 40,000 ballots. Considering campaigns contemplated in other eastern

territories, the total, from advertisements on this theme in 48 newspapers in 26 cities, may exceed 50,000. In view of the fact that no fabulous prizes are being offered, General Cigar executives think the returns to date have been very encouraging indeed. In addition, hundreds of unsolicited letters were received from consumers in high praise of the quality and value of the cigar.

They are more interested in consumer response, however, in terms of actual sales. With consumption of the Van Dyck "1932's" now raised to the 150,000,000-a-year level, they believe that the number who actually have voted to be but a fraction of those who have been converted to the new cigar.

Each smoker was asked to check his "three favorite features" of the six listed in the ballot. Large space announcements of the results of the vote on each of the six features, some in black and white, but usually in color, are made in each area as soon as the introduction is completed and the returns tabulated. The rankings are as follows: Value, 68.7; flavor, 66; mildness, 57.1; freshness, 52; tobaccos, 40.1, and shape, 17.8. The first three of these will receive most stress in future copy.

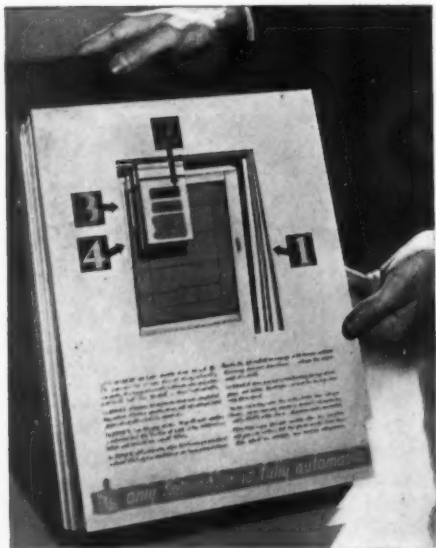
General Cigar has long been an enthusiastic user of color space in

(Continued on page 189)



Three distinct advantages are claimed for this kit designed by W. W. Ellis, special agent of the Philadelphia office of Aetna Life Insurance Company: 1. The neatness and attractiveness of the kit make a favorable initial impression on prospects; 2. The salesman always has within easy reach all the necessary data needed for an interview; he doesn't have to hum and haw and say "I'll have to check with the office on that question"; 3. Because the salesman is well fortified, he can approach prospects with more confidence in his ability to sell than if he had a mass of scattered material. Ellis also keeps a live list of prospects in this kit, on which he notes his success or failure in calling on names. "I find this checking helps me greatly in making a systematic canvass of all available prospects," he states.

Better Sales Equipment Makes Better Salesmen



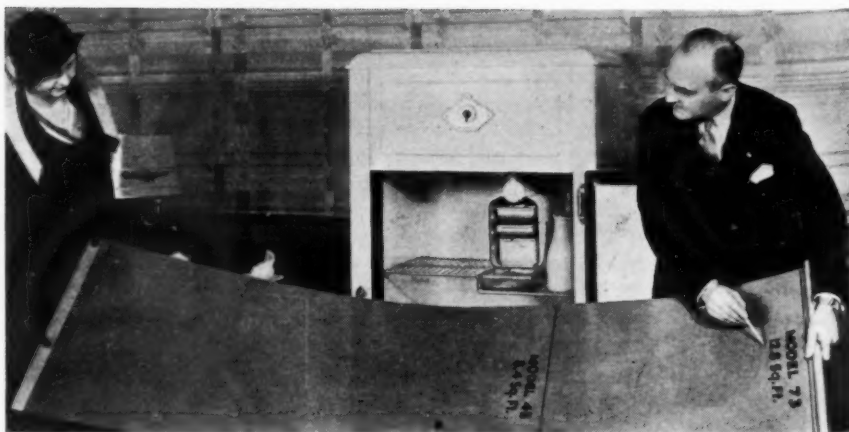
Kelvinator's new pyramid type portfolio is especially built to visualize their "four refrigerators in one." The page pictured here reproduces a picture of a plain refrigerator. Then the smaller pages turn down upon this photo, one at a time, to illustrate the additional features which distinguish Kelvinator refrigerators.



Especially in cases where the wife is sold but the husband is hedging on the necessary expenditure, is this "parts kit" proving helpful to Maytag men. It gives the salesman the opportunity to explain why Maytag can be expected to last longer, with less service cost, than cheaper machines.



Not a housewife's kitchen table, but the contents of a special demonstration kit being used by Westinghouse salesmen on prospects who call at showrooms. One item in it is a window blind which, when unfolded before the prospect (right), dramatically visualizes just how much space a certain model has in shelf area. Porcelain, steel and insulation are built together by the salesman to show wall construction. "This porcelain cleans as easily as a china dish," he explains further, showing how much less difficult it is to clean than other metal surfaces presented in contrast. Perhaps your men, too, should show more and talk less.



Spot News on the NRA

WE proudly display in *our* show window (See page 186) the NRA emblem.

* * *

Signers of the code can be listed in three general groups:

1. Those who thought they could get some free advertising by being among the first to climb on the bandwagon.
2. Those who were strongly for it, for the reason stated by the President, "We must start the wheels turning *now*, and not six months from now," and
3. Those who thought they would be forced to sign eventually, and figured it would be good policy to fall in line now.

SALES MANAGEMENT is a member of that second group, even though we are sure that the blanket code will work imperfectly, and with unfairness to some. But the indications to date are that it will cut down the army of the unemployed, and this is an absolute essential if we are to escape a real social revolution.

An Army of Sherlock Holmes'

Chisellers already are at work in every industry, but, as General Johnson pointed out several weeks ago, competitors will do effective detective work. In many cities organized groups of retailers have practically taken the law into their own hands in forcing chiselling merchants to obey code rules on hours of store operation and hours of employment. In New York a retail shop with eight employees tried to make each one a vice-president because company officers were exempted from minimum wage provisions—but alert competitors tipped off General Johnson and he acted with his usual promptness, as he did with companies which tried to make each employee take longer lunch hours, and so "stagger" the work among present employees instead of adding to their forces.

Who's Who in Chiselling

That promptness of the General's may force him to backwater in the future just as he did last week with the Lebanon Shirt Company, which was held up as an ugly exhibit in the public press through the release of Johnson's telegram accusing it of violating the letter and spirit of the Plan

through the use of the NRA insignia in a *Daily News Record* advertisement. Four days later the General wired the company, "I am satisfied from my investigation that the act did not proceed from an intention to disregard the letter of the law. All of us, including myself, make mistakes."

The administration has announced that a questionnaire is now in preparation which will be designed to bring to light the differences between chisellers and persons who honestly put the agreement into effect.

O. K. on Commission Salesmen

If a sales organization at this time changed from salary to straight commission, the Government doubtless would interpret this as a gesture designed to defeat the aims of the Blanket Code, but there are no restrictions against the employment of men on a straight commission basis where this has been the policy of the company or the general policy of the entire industry. The questionnaire referred to in the item above will ask for a report on personnel and wages added, and those who have made no real contribution to re-employment are likely to be deprived of the Blue Eagle. Among other things, the Act is designed to prevent an employer from discharging workers now receiving more than the minimum, and hiring inexperienced workers at lower pay—thus creating a new group of unemployed.

Get the NRA on Your Product

Technically, the boycott is not being applied, but in reality the admonition to patronize those stores which display the NRA sign is tantamount to saying "Don't patronize other stores."

Mr. and Mrs. Consumer now have a tremendous new power which they appreciate fully. The recently announced modification of the original ruling which permits those employers temporarily unable to comply with the full requirements of the Act to display a new type of "Blue Eagle"—a bird bearing a white bar across its breast—does away with a bad feature of the original announcement and protects small employers who couldn't display the original insignia for reasons beyond their control, such as having fewer than two employees.

As soon as present stocks are exhausted, buyers will be asked to go further in selecting goods, and demand evidence that the products they buy in these stores have been prepared in accordance with the terms called for in the President's agreement.

We suggest that manufacturers lose no time in putting the NRA brand on their products and in their advertising. Consumers will look for it.

We Bow to Mr. Litchfield

Among the many effective advertisements which appeared in the newspapers as a tie-up with the NRA we liked particularly the Goodyear half-page in the August 1 papers, and especially Mr. Litchfield's two closing paragraphs:

"The recovery drive is a new and worthy war against unemployment and want—a war which can be won only as others have been won, by uncommon cooperation for the common good.

"The brunt of the battle must be borne first by those best able to bear it, and while ultimately prices—the sinews of this war—must of necessity follow mounting costs of production and distribution, it is a satisfaction to be able to say that most Goodyear prices are still below the level of last Fall."

Many alert advertisers are capitalizing their NRA membership to their own advantage. For example, Davega's, a chain of sporting goods stores, took large display space to announce that they were ready to give employment to fifty additional clerks. With the employment situation as it is today, we doubt very much whether the store needed to run this advertisement—but it did create favorable reaction among newspaper readers that morning.

How Much Additional Employment?

A survey of the American Iron and Steel Institute discloses that the adoption of their code would cause them to re-employ 49,738 steel workers, and approximately 85,400 men who have never been on the payrolls of the thirty-two leading companies in the industry. New York cloak and suit firms say they will employ 16,000 additional workers, the packers from 15,000 to 20,000, the pulp and paper

Quotes from Johnson:

"It is a lot easier to secure profits through bigger business than it is through higher prices. If we don't get purchasing power to the proper level there isn't going to be any bigger business. There is going to be less business. Prices are way ahead of purses now. The only way anybody has yet suggested to get purses ahead of prices is the plan of the President. Speculative price advances are the best way to kill the goose that lays the golden egg."

* * *

"There is a starved demand here such as never before. Worn-out automobiles, unpainted houses, shabby shoes and clothing, rickety furniture, threadbare rugs.

"All that is needed to start a flood of business is to take away the fear of unemployment."

* * *

"Do not trifle with that bird. In the confusion of early days a man may get away with it. But the day of reckoning against an aroused public opinion is sure."

* * *

"This is no time to hoard. It is no time to save money. It is time to get things. Buy the things you need. Spend for re-employment. If you don't spend now and get something you will spend later for taxes and doles and get nothing."

* * *

"It is no boycott for people who are sick of this curse of depression to patronize those who are working to get us out of it."

* * *

"I am not willing, until the theory of production control is established, to recommend any price-fixing to President Roosevelt."

* * *

"If chisellers under-cut you, tell us, give us the names and we will deal with them in short order. We propose to create conditions under which money can be made and more employment created. There is only one way to do it."

factories 20,000, and the carpet and rug makers 4,300. The greatest gains in employment will come in retail stores if the majority of them volunteer under the Blanket Code. All of these employment gains are predicated, of course, on a purchasing power large enough to bring production up to normal levels. Right now there is much disappointment among the unemployed in textile centers because they expected that mills would immediately operate at capacity levels. And what will be done on the subject of increased mechanization?

The Bankers Hand Us a Laugh

A pledge that doesn't seem to mean a thing is that of the eleven large New York banks which announced that they would do their share by extending credit to business on "sound" lines. Naturally, it all depends upon what you mean by sound, and the banks will still be the judges of that. The banks seem to have said nothing, but to have said it gracefully.

Many of the banks, smaller and less well financed than the New York banks, will be put on the spot to loosen up credit through the decision of the RFC to buy preferred stock in banks up to a maximum of \$50,000,000 in any bank. This should enable banks to extend assistance to many small borrowers whose pleas for aid have fallen on deaf ears.

Control of Production

One of the unusual features of the carpet and rug code is its provision for preventing overproduction in the industry. The code specifies:

"The financial goods inventory of square yards of merchandise, wherever located, owned by any manufacturer shall not exceed one-third of his sales in square yards of merchandise for the immediately preceding twelve months. Since, however, seasonal variations require fluctuating inventories of finished goods, a manufacturer whose inventory shall at the end of any month exceed the aforementioned allowed figure shall be allowed a period of ninety days in which to restore the balance between his inventory and sales, before being directed by the Stabilization Committee to curtail production. Each manufacturer agrees to abide by the directions of the Stabilization Committee in this respect. The provisions of this paragraph shall become operative with respect to the inventory of each manufacturer as of September 30, 1933."

The code directs each manufacturer to file a monthly return with the Institute showing the sales for the month

and the inventory at the end of the month, so that the necessary checks may be made against overproduction.

More Control Later

The carpet and rug makers are carrying out the Roosevelt idea in this part of their code, for *planning*, rather than *laissez faire*, is the big idea in the national program. So far as each individual industry is concerned, it is invited—even *urged*—to do its own planning (with a minimum of government supervision to safeguard the rights of labor and the public). Control of production, and eventually the allocation of orders, will be permitted.

That is one phase. Industries should be able to govern themselves, and they should jump at the chance. But there is need also for *inter-industry planning* to prevent a recurrence of '29. Knowledge of that need is back of the planning and statistical board which the President is creating. (See more extended comment under "Significant Trends," this issue.)

Wrigley's Experience

When the Wrigley Company raised wages last February, only one of their seven thousand stockholders sent in a complaint. . . . In New York last week P. K. Wrigley said: "Increase of purchasing power is the only effective approach to the situation—starting by putting in money at the bottom rather than at the top, and I believe manufacturers will get around to seeing it that way. In our own case, even though our product sells for only a nickel, we realize that it is not a necessity, and that the man who has only enough income to buy the bare necessities will not be able to spare the extra nickel."

Protecting the Consumer

Through the Agricultural Adjustment Administration, the United States will issue weekly bulletins (starting with food, and later extending to clothing and textile goods) showing what a fair price should be, the amount the farmer receives for producing the raw materials that go into the finished goods, the amount that labor receives as a result of the increased wages under the industrial program, and the amount farmers are obliged to pay for the goods they must buy.

Cutting Distribution Costs

This weekly bulletin is in line with the advice Mr. Peek gave to represent—
(Continued on page 188)

NEW NEW NEW EASY MODELS FEATURES PRICES TERMS

Thor Junks "Beautiful But Dumb" Promotion; Cuts Cost; Improves Results

SIMPLIFICATION of the type of display materials and other printed matter sent to dealers not only saved the Hurley Machine Company \$10,000 during the last year, but it "accomplished a better and more effective job than we have ever had before," according to G. E. Taylor, advertising manager.

"In the first five months of 1933 we increased our business 137.5 per cent over the same period a year ago," Mr. Taylor told SALES MANAGEMENT. "Since May our factory has been working six days a week and we have put on more than 100 men in three weeks. Production is now two weeks behind sales."

In this increase the new type of promotion material is avowed to have played an important part.

"Back a few years we all got into some bad habit," Mr. Taylor said. "One of them was to try to get out promotion material that was a fine job of printing, whether it meant more sales or not. Each year we tried to get out catalogs and mailing pieces that were better, more elaborate and more costly than any we had ever done before. By 'better' I mean a finer print job. But we learned that this didn't necessarily mean sales effectiveness."

"See this—" (he reached into a file

cabinet) "three colors—special silk screen process—silver foil cover—beautiful! We won honors with it in advertising contests. It cost \$2.25 to print. The trouble with it was that it was too fine and too costly to use. It was too exquisite to work with. Dealers just looked at it and laid it away."

"The one we have this year cost seven cents a copy. You're not afraid to handle it, show it, carry it around. If it gets dirty in three or four days, get out a clean one."

"Three years ago about everything we sent out was done in three colors. Two years ago we used two. This year, plain black and white. I'll admit we held our breath when we mailed them."

"But we had said to ourselves, 'No color, no beauty, no art work! We must use words so effectively that we

will compel attention. After all, we're not running an art gallery. We have but one purpose—to sell washers and ironers.'"

Out of that conception grew the "Thor Tool Kit." It is a plain straw-board box 1 x 11½ x 18 inches. It weighs less than 3 pounds. A plain label announces its contents: "Thor Tool Kit. Selling Facts and Ammunition on the 1933 Thor Line."

It contains an assortment of newspaper advertisements for the dealer's use, booklets on selling facts, window and counter cards, window streamers, mailing leaflets, etc.

Said Mr. Taylor: "We didn't think, when we started this tool kit, that we were doing anything dramatic. But since we've received such an intense reaction from dealers everywhere, I begin to think we have. We have demanded attention by simplicity, directness and plainness. We've saved around \$10,000 and we've had more favorable comment on the tools from the men who use them than ever before. Business has been increasing faster than at any time in our whole history."

Samples of a few of the "tools" are reproduced on this page. They have a stark, dramatic "smash" quality—which may account for their popularity among Thor readers.



SEE THE NEW THORS BEFORE YOU BUY ANY WASHER AT ANY PRICE

Is There a Trend Toward Color and Rotogravure?

A COUPLE of months ago the Great A. & P. Tea Company ran a test on Rajah salad dressing in colorgravure in a Pittsburgh newspaper. That one full page ad cleaned up all the Rajah salad dressing in sight. Last month A. & P. added colorgravure in 32 other papers. The campaign is uncovering some stimulating sales possibilities.

Another advertiser, General Cigar Company (page 153 of this issue) is finding newspaper run-of-paper color pages twice as effective, colorgravure pages three or four times as effective as black-and-white.

The number of users of both continues to mount. Colored strip advertising in the comic sections caught on quickly. The Ralston Purina Company with one color page last February in a list of comic supplements pulled back 151,000 box tops. And the older monotone gravure, with groups now organized which provide advertisers with a circulation unit of 7,062,000 at group rates, is taking a new lease on life. Several divisions of both General Motors and Chrysler are now for the first time using regular gravure schedules in long lists of papers.

What is the significance of this swing toward color and gravure? Does it mean any lessening of interest in black-and-white? The facts do not indicate it. Up to date the important users of both color and gravure have used it as a supplementary medium. A. & P., mentioned above, has gone into color while maintaining, and in some sections increasing, its black-and-white lineage.

It is true that an increasing number of advertisers appreciate the opportunities of adding more realistic reproductions to the concentration and timeliness always offered by newspapers, but on the score of timeliness neither color nor gravure can meet the day-to-day needs of retail merchants, nor of manufacturers who cannot plan their copy well in advance. Furthermore, the price premium over black-and-white restricts somewhat the sale of both. The answer is not clear cut. Whether or not color and roto are worth the extra price depends largely

Has newspaper black-and-white found allies—or more competition? The roto markets—where they are, what they cost, who is currently using them.

on the advertiser—his product and his copy.

Three hundred and fifty-seven U. S. A. newspapers now accept color for regular daily issues, but it is doubtful whether many of them have as yet secured a reasonable return on the investment in their color presses. It is still more or less a novelty, which may be at least a partial explanation of its phenomenal pulling power. What will the returns be if, as, and when every other newspaper page has color?

Hearst may not have been the first to employ color but he was a real pioneer in popularizing its use. His national magazine, the *American Weekly*, distributed with his 17 Sunday newspapers and offering a circulation of more than 5,000,000, helped tremendously to sell the color idea to advertisers.

Color—and the Comics

Early in 1922, at the bottom of the post-war depression, when other Chicago evening newspapers were selling at 2 cents, the *Hearst Evening American* began to issue a four-color magazine section on Saturday, raising the price of the paper on that day to a nickel. The venture proved successful and has been continued. Almost simultaneously a similar Saturday magazine was established by the New York *Evening Journal*, and a few years later by another Hearst paper, the San Francisco *Call* (now the *Call-Bulletin*).

Among records for color advertising established in this section by the *Chicago American* are: Hydrox ice cream, 40 color pages in nine years; Canada Dry ginger ale, 64 pages in seven years; Standard Oil of Indiana, 67 in six years; American Family flakes, 13 in six years; Loose-Wiles biscuits, 22 in five years; Mickelberry sausage, 15 in five years; Phillips Petroleum, 23 in three years. The

New York *Journal's* Saturday magazine numbers 3 advertisers who have been with them consistently for ten years, and 11 for five to eight years.

The *Chicago American*, when it prints a color page in its magazine section, supplies 2,500 reprints to the advertiser. An important chain store company, for illustration, uses these for its windows. By this method a manufacturer of toilet tissue, putting on a 1-cent sale, sold more than 1,000,000 rolls as the result of one color page. A paint concern used color and a coupon, selling a can at 10 cents with the coupon. They underestimated the demand and dealers all over Chicago ran out of the paint.

The *Chicago Tribune*, long a bold experimenter with color and offering it both daily and Sunday, launched on August 1 a series of 12 color pages to further popularize the idea of color with readers and advertisers. Mats of these have been made available, without cost, to leading newspapers throughout the country. Newspaper r.o.p. color is still so new, and budgets have been so curtailed, that there is little active demand for it now among either retail or national advertisers. Rather, it is a "show me" kind of interest. But because color has more than justified its extra cost to some advertisers, the publishers who have it for sale are not hesitating to crusade in its behalf.

A product of the depression is the advertising in comic strip supplements in Sunday newspapers. Mr. Hearst pioneered in this field, with his *Comic Weekly-Puck* list, distributed with the 17 Hearst Sunday newspapers. Competing against him, with an opposition paper in 7 out of his 17 cities, is the Metropolitan Comics Group (11 cities). The National Comic Paper Group sells space in 34 cities, ranging in size from the Brooklyn

(Continued on page 160)

Rotogravure :

Papers, Groups, Circulation, Costs

Popu- lation	Rank	CITY	METROPOLITAN GROUP		N. Y. & N. E. GROUP		MIDWEST GROUP		INDEPENDENTS	
			Paper	Circu- lation	Paper	Circu- lation	Paper	Circu- lation	Paper	Circu- lation
6,930,446	1	New York.....	News.....	1,815,871	Herald-Tribune *	453,091	.....	.....	Times*.....	758,176
3,376,438	2	Chicago.....	Tribune*.....	836,507	.....	.....	.....	.....	Post*.....	86,036
1,950,961	3	Philadelphia.....	Inquirer*.....	409,551	.....	.....	.....	.....	Mirror*.....	706,966
1,568,662	4	Detroit.....	News*.....	284,586	.....	.....	Free Press*.....	203,822	Times.....	168,254
1,238,048	5	Los Angeles.....	.....	.....	.....	.....	.....	.....	News*.....	407,365
900,429	6	Cleveland.....	Plain Dealer*.....	305,679	.....	.....	.....	.....	Pub. Ledger*.....	309,628
821,960	7	St. Louis.....	Globe Democrat*	190,523	.....	.....	.....	.....	.....	.....
804,874	8	Baltimore.....	Sun*.....	181,321	.....	.....	.....	.....	Post Dispatch*.....	260,135
781,188	9	Boston.....	.....	.....	Herald*.....	130,308	.....	.....	.....	.....
669,817	10	Pittsburgh.....	Press*.....	227,883	.....	.....	.....	.....	Chronicle*.....	136,585
634,394	11	San Francisco.....	.....	.....	.....	.....	.....	.....	.....	.....
578,249	12	Milwaukee.....	.....	.....	.....	.....	Journal*.....	185,486	.....	.....
573,076	13	Buffalo.....	Times*.....	114,055	Courier-Express*	153,472	.....	.....	Post*.....	62,522
486,869	14	Washington.....	Star*.....	126,187	.....	.....	.....	.....	Journal.....	140,036
464,356	15	Minneapolis.....	.....	.....	.....	.....	Tribune*.....	159,589	Enquirer*.....	171,362
451,160	17	Cincinnati.....	.....	.....	.....	.....	.....	.....	Call.....	87,451
442,337	18	Newark.....	.....	.....	.....	.....	.....	.....	Star*.....	304,549
399,746	19	Kansas City.....	.....	.....	.....	.....	Journal Post.....	77,536	Times.....	106,101
365,583	20	Seattle.....	.....	.....	.....	.....	.....	.....	.....	.....
364,161	21	Indianapolis.....	.....	.....	.....	.....	Star*.....	133,322	.....	.....
328,132	22	Rochester.....	.....	.....	Dem. & Chronicle	84,065	.....	.....	Chronicle.....	78,837
307,745	24	Louisville.....	.....	.....	.....	.....	Cour. Journal.....	144,705	.....	.....
292,352	26	Houston.....	.....	.....	.....	.....	.....	.....	.....	.....
290,718	27	Toledo.....	.....	.....	.....	.....	Times.....	49,933	.....	.....
287,861	29	Denver.....	.....	.....	.....	.....	Post*.....	288,069	.....	.....
271,606	31	St. Paul.....	.....	.....	.....	.....	Pioneer Press*.....	113,505	.....	.....
270,366	32	Atlanta.....	.....	.....	.....	.....	.....	.....	Journal*.....	107,278
259,678	34	Birmingham.....	.....	.....	.....	.....	.....	.....	Constitution.....	95,184
255,040	35	Akron.....	.....	.....	.....	.....	.....	.....	News*.....	96,847
252,981	37	Providence.....	.....	.....	.....	.....	.....	.....	Times-Press.....	30,753
214,006	39	Omaha.....	.....	.....	.....	.....	.....	.....	Journal.....	90,483
209,326	40	Syracuse.....	.....	.....	Post-Standard*.....	60,381	.....	.....	World-Herald*.....	112,220
170,002	45	Youngstown.....	.....	.....	.....	.....	.....	.....	Herald.....	65,627
164,072	47	Hartford.....	.....	.....	Courant.....	57,436	.....	.....	Vindicator.....	27,689
149,900	52	Springfield.....	.....	.....	Union-Rep.....	61,654	.....	.....	.....	.....
143,433	55	Scranton.....	.....	.....	.....	.....	.....	.....	Scrantonian.....	40,504
142,559	56	Des Moines.....	.....	.....	.....	.....	.....	.....	Register*.....	208,122
127,412	64	Albany.....	.....	.....	Knickerbocker Pr*	42,421	.....	.....	.....	.....
114,946	72	Fort Wayne.....	.....	.....	.....	.....	.....	.....	News Sentinel.....	44,591
112,597	75	New Bedford.....	.....	.....	.....	.....	.....	.....	Stan. Times.....	24,965
104,969	82	Peoria.....	.....	.....	.....	.....	.....	.....	Star.....	31,455
80,339	101	Harrisburg.....	.....	.....	.....	.....	.....	.....	Jnl. Transcript.....	30,581
62,810	111	Terre Haute.....	.....	.....	.....	.....	.....	.....	News.....	58,168
									Tribune Star.....	26,108
			10 papers.....	4,492,163	8 papers.....	1,042,828	10 papers.....	1,527,329	31 papers.....	4,962,499
B & W LINE RATE (Sunday).....			\$7.22		\$2.57		\$3.38		\$9.86	
ROTO LINE RATE.....			9.50		3.30		4.80		17.05	
% PREMIUM.....			31.6%		28.4%		42%		73%	
B & W PAGE RATE.....			\$13,960.24		\$6,103.76		\$8,144.00		\$21,738.00	
ROTO PAGE RATE.....			\$16,500.00		\$6,550.00		\$9,550.00		\$31,291.00	
% PREMIUM.....			18.2%		7.3%		17.3%		43.9%	
Cost per Page per 1,000 Readers (Roto).....			\$3.67		\$6.28		\$6.25		\$6.31	
ROTO Milline.....			\$2.11		\$3.16		\$3.14		\$3.44	
B & W Milline.....			\$1.60		\$2.46		\$2.21		\$1.99	
43 CITIES:										
Total Individual Roto Page Rate.....			\$20,382.00		\$8,197.00		\$12,050.00		\$31,291.00	
Group Rates.....			\$16,500.00		\$6,550.00		\$9,550.00			
Group Discount.....			\$3,882.00		\$1,647.00		\$2,500.00			
% Discount.....			19%		20.1%		20.7%			

NOTES: 1. Populations are for municipal boundaries, Federal 1930 Census.
2. Circulation figures are 3/31/33 A. B. C. Publishers Statements and cover those editions containing gravure sections.
3. Newspapers offering colorgravure in regular gravure sections are designated (*).

Eagle to the Parkersburg (W. Va.) *News*, and Associated Newspaper Color, Inc., offers both magazine and comic section color in a compact list of 10 Pacific Coast papers.

Colorgravure

Users of colorgravure in the first half of this year have been Borden's cheese, Jell-O, Calumet baking powder, Grace Line, Gold Dust, Kellogg Company, Quiet May oil burner, Yardley's, Hills Bros., Oxydol, Sinclair oil, Camay soap, Canada Dry ginger ale, A. & P. (Rajah salad dressing), American Family flakes and Gulistan rugs—total 16. Eight of these products are repeat customers from 1932. To date every advertiser, with one exception, who has tried colorgravure has come back for more.

The advantage of gravure, and especially of colorgravure, is the "reality" and therefore the vividness and permanence of the advertising impression. The Steinway Piano children, the Borden babies in advertisements several years back, are still recalled by many people. The Milk Council, in Chicago, ran a colorgravure advertisement last January, and was getting coupons back as late as April.

Both the Gravure Service Corporation and Metropolitan Sunday newspapers are now building up this newcomer and the \$23,500-a-page rate in the latter group is the highest-priced advertising page-package in the world. Colorgravure lineage in all papers carrying it increased 252 per cent in the first half of this year as compared with the same period of 1932.

Altogether there are 108 newspapers available for colorgravure in syndicated tabloid sections; 34 offer colorgravure in their regular sections.

Gravure sections were initiated by the Philadelphia *Public Ledger* 20 years ago. In 1914 six newspapers provided a total gravure circulation of 1,100,000. Seven years later the number of newspapers had increased to 45 and the circulation to 4,600,000. Today 59 newspapers have gravure sections and the circulation of approximately 12,000,000 is about half the total Sunday newspaper circulation.

When the makers of gravure paper sold the newspapers on the idea of adding these sections, they did so on the appeal of "modernizing" and "completing" the publishers' job. (That was before Dr. Gallup found that gravure sections reached 31½ times the audience of the b. & w.) The printers of gravure sections suggested that the newspapers charge their costs of the gravure sections 30 per cent to the editorial, 30 to the circulation and 40 to the advertising

departments. The idea that a gravure section *might* pay its own way in advertising alone has just begun to be regarded as a potential reality. In the face of general declines in all types of advertising media, 19 out of 59 newspapers had gains in total monotone gravure lineage in the first half of this year compared with the same period last year.

Group selling has been effective in bringing more advertising to the individual publishers and lower rates to the advertisers. Today the gravure space in 28 of the 59 papers is available in groups—the Metropolitan Sunday Newspapers, and the Gravure Service Corporation, which offers a Mid-West group and a New York and New England group. (See analysis on page 159.) The monotone gravure "market" as now constituted may be summed up:

- (1) There are 59 gravure sections in 43 cities.
- (2) The circulation is divided:

(a) "Organized" (3 groups)	with	7,062,000
(b) "Unorganized" with...	4,962,000	
Total	12,024,000	
- (3) "Organized" gravure circulation of 28 papers in 25 cities is divided:

(a) Metropolitan Sunday Newspapers—10 papers	4,492,000
(b) Mid-West Group—10 papers	1,527,000
(c) New York and New England Group—8 papers	1,043,000
	7,062,000
- (4) To enjoy the benefits of the re-

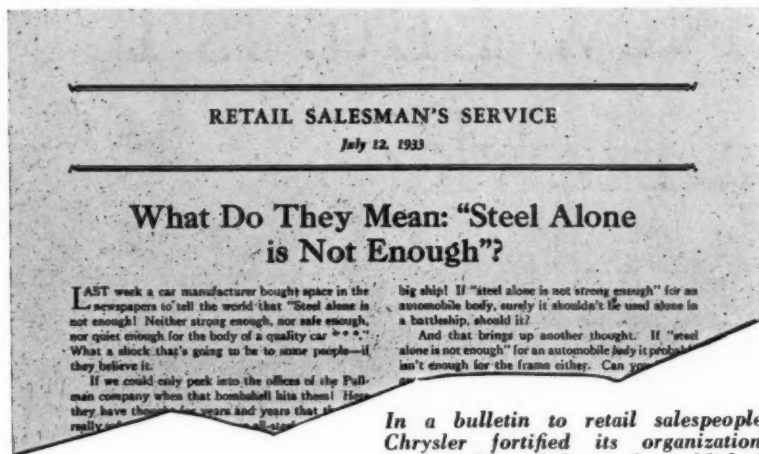
duced rates, advertisers must buy the group. But there are no restrictions upon individual sale at individual card rates.

- (5) "Unorganized" gravure has 31 papers in 26 cities.
 - (a) About 3,270,000 of the circulation is in 8 cities (a total of 11 papers) also represented in the groups.
 - (b) The other 1,700,000 circulation (a total of 20 papers) is in 18 additional cities not represented in any group.
- (6) The first 25 cities, in order of population (with two exceptions: New Orleans and Jersey City), have one or more gravure sections.
- (7) The present gravure milline rate for all 59 papers is \$2.88. (In 1925 it was \$3.95 for all papers then carrying gravure.)
- (8) The differential in rate (all 59 papers) on a *line* basis is 50 per cent over b. & w.
- (9) The differential on a *page* basis is 28 per cent. (Roto pages are 2,009 lines; b. & w. average 2,400.)
- (10) In the three groups there is duplication in only three cities—New York, Buffalo and Detroit.

Metropolitan, managed by A. C. G. Hammesfahr, is just a year old, and in that year ran up a billing of over \$1,000,000, made up 60 per cent from gravure, 40 per cent from comics. In the first six months of 1932 (before group selling got started) the 10 papers in their list ran 307,000 lines of gravure. This year in the same period the lineage was 550,000.



"The copy treatment's good, but in my opinion it ain't so hot, typographically."



"Steel Is Enough" Says Ford; Touches off New Auto Fight

CHEVROLET and Ford are matching lances in current newspaper copy in a spirited argument—at regular line rates—over steel alone versus wood and steel in body construction.

Said Mr. Ford in his personally signed advertisements which appeared in many newspapers during the latter part of July and the early part of August:

"Until we learned better, we used to mix wood and steel in our car bodies and wheels.

"It was the best way to make bodies—then. But the state of the art has advanced" . . . and so on, to the conclusion that steel has this, that and the other thing to recommend it as against wood plus steel.

Chevrolet Lays a Barrage

Chevrolet answered with 7-column space headed "Steel Alone Is Not Enough." Their statement, in part:

"There is only one type of body construction which Chevrolet will permit on the chassis of the cars it builds: That's the type which every test—and every experiment—and every experience has proved to be the safest, strongest, and best. Not steel alone, because steel alone is not enough. But a Fisher body of steel reinforced by hardwood! The very same kind of construction used on practically all the highest-priced cars in America.

"Chevrolet well knows that steel alone has one distinct advantage: it's cheaper. Steel also is strong—up to a certain point. BUT—beyond that point, steel alone will bend and crum-

ple under severe stress or shock. And there's where hardwood does its work. Hardwood reinforces the steel and is, in turn, reinforced by the steel. Hardwood absorbs shocks—takes out rattle and rumble. The result: A steel plus hardwood body can withstand concussions that crush a body built of steel alone."

Chevrolet's reference to "every test and every experience" relates to the famous experiment made by the Fisher Body Company engineers to ascertain the comparative strength of wood and steel frames—or all-steel and wood-steel bodies. In this experiment the two types of bodies were subjected to a weight of 9,000 pounds applied diagonally through the bodies. The all-steel body was wrenched 11 inches out of line, the roof was destroyed, the doors were jammed and every steel body pillar buckled. It was a wreck beyond repair. The wood-steel body was deflected only four inches. All the doors were intact and in working order. No glass was broken, except for a crack in the corner of the windshield. When the load was lifted the body returned to within one inch of its normal position, and was completely repaired within 24 hours.

Chrysler Does Some Figuring

Meanwhile, in a retail salesman's bulletin issued July 12, Plymouth and Chrysler fortified their field men with an assortment of data combating the Chevrolet stand.

They, too, use all-steel bodies.

Their comments, highly spiced, and more than sarcastic in spots, says:

"This same ad brings up that old one about 'every 12-cylinder and 16-cylinder car in America' and 'every make of car selling for over \$4,000' having bodies of 'steel reinforced by hardwood.' (Don't laugh.) Let's do a little arguing over this. Body dies to make steel bodies are expensive. They may cost a half million dollars or more for one model. On this basis if you made body dies and manufactured only one body, that body would cost \$500,000. If you made 100 bodies they would cost \$5,000 each for just the dies and if you made 1,000 bodies the die cost would be \$500 each . . . Let's do some more figuring. Pierce-Arrow should be a good one to use as an example. It's a member of the Studebaker group and all of the lower-priced cars in this group have steel bodies.

"Pierce-Arrow registered, for the first five months of 1933, 130 twelve-cylinder cars and assuming that as many will be registered through the balance of the year, Pierce-Arrow will register 260 twelves. Now it must be obvious that if Pierce-Arrow were to spend \$500,000 for steel body dies for 260 cars the cost per car for body dies only would be nearly \$2,000.

How the Score Stands

"'Steel alone is not enough.' What a shock to the engineers who designed and built the Plymouth, Dodge, De Soto and Chrysler all-steel bodies. They have rolled these cars down mountain sides, time after time; they have turned them over in ditches; they have loaded the tops with enough sandbags to wreck any body previously built—and they thought that they had a body safer and stronger than anything else known. What a blow to the many, many people throughout the world who, after an accident, have attributed the fact that they were still alive to the steel body. Surely it couldn't be that these people are dead and don't know it!"

Advice to salesmen to study data on steel bodies contained in the salesmen's data books and manuals concludes the bulletin.

Standing in sales for the first six months of 1933, in order: General Motors, Chrysler, Ford. Chevrolet leads among individual makes with Plymouth giving Ford a close battle for second place. Plymouth dealers until recently were asked to set a quota of 25 per cent of the combined Ford, Chevrolet and Willys-Overland registrations. Now they are asked to set as a goal 33⅓ per cent of the combined Ford and Chevrolet registrations in their districts.

About This New Bird: Is It an Eagle or a Hawk?

WE are facing the greatest gamble the world has ever known. The world held its breath before Waterloo, before Gettysburg, before the battle of the Marne, but none of these events as a gamble in their success or failure compare with the gamble that the United States is taking today in the NRA. All of us, of course, are praying for its success. We are working for its success. We are hoping for its success. But at the same time back in the minds of every thinking man in this country, and of every thinking man in the world, is the question, *if it does not succeed, then what?*

Business is better. The feeling in the country is better. The prices on our stocks and bonds are better. So far working hours have been reduced. More men have been employed. Wages have been advanced. Hope has been instilled. All these things are to the credit of the new movement.

Facing facts as they are, it would take not only a bold, but a thoughtless, man to criticize what has been done. Napoleon said, "Desperate situations require desperate remedies." All of us know that the situation was desperate. If things had continued as they were there was only one answer—revolution. *A man who is starving today is not worrying about the diet upon which he may have to live two or three years from now. His necessity is immediate. He must have food now.*

Dangerous Ground?

It is surprising how many people in this country have no conception of what is happening to other people. There are thousands of people who have had their jobs all through the depression. Some have had no reductions in salaries. Others have been reduced 10 or 20 per cent. But these people do not know and have not experienced the despair of millions of others who have lost their jobs, or lost all their means of support.

Just as in the World War, many of our people who were safe at home were excited and stimulated by the war news, so today we hear people say—"These are interesting times in

BY
SAUNDERS
NORVELL

*Former President, Remington Arms
Company, New York City*

How is the New Deal going to affect the jobber and the retailer and what can we expect of national advertising under the NRA?

which we live!" These are certainly "interesting times," but unfortunately the times are more than interesting. They are tragic. That is, tragic to large numbers of our people.

The other day I was talking to the chief executive of one of the largest corporations in this country. The executives of this corporation have been most active in doing everything within their power to help the present situation. They have reduced hours.

They have advanced salaries. They have employed more workmen. "What," said I to this executive, "in your judgment, *is the greatest danger in business in the present situation?*"

Here is his answer: "I think that the greatest danger is that the little merchant will find himself at a disadvantage as compared with the large corporation in conducting his business. As a rule the great corporations have been paying better salaries and have conducted their business in every way on a more generous scale than the small merchant. The small merchant has trusted to a lower overhead and his economies in salaries and other directions to put him in a position to get a share of the business, but with his salaries and other expenses placed approximately on the same basis as the large corporation he will certainly be at a disadvantage."

"Therefore, the question arises under such conditions, what will be the attitude of the great corporations toward the little fellows in business? Will they drive them to the wall? Will they force them out? Will they absorb them? This is the great danger, because if large corporations are so shortsighted as to squeeze out these little fellows, then in the end they will be faced by an actual revolu-

Quick starting - and how!



Three hundred billboards bloomed in Chicago and its environs early this month carrying a picture of a rabbit in precipitate flight. A shield on the board reveals that Br'er Rabbit is selling Silver Flash gasoline and motor oil. Four independent oil jobbers with about 70 outlets in the Chicago area have combined to advertise this special brand. They are the Apex Motor Fuel Company, Arrow Petroleum Company, Braun Bros. Oil Company, and Triangle Oil Company. So far they haven't been mentioned in the advertising. Outdoor Advertising is handling the job. Direct mail has been used heavily from the start and radio may be added in the Fall.



*Benjamin H. Day, who
founded The Sun in 1833.*

100 YEARS OF THE SUN

The first issue of The Sun was published September 3, 1833. It was a four-page newspaper, each page being $8\frac{1}{4}$ by 11 inches in size and divided into three columns. Benjamin H. Day, the 23-year-old publisher, was also the reporter, editor, typesetter and mail clerk.

During its long life The Sun has played a prominent part in local and national affairs and has made many contributions to newspaper publishing in America . . . both in methods and in personalities.

The Sun is today one of the great newspapers of the country . . . complete without being ponderous, interesting without being sensational, accurate without being dull or lacking in color. Because its circulation is concentrated among people of intelligence and means, advertisers have found it a profitable medium for their messages . . . The Sun which Ben Day founded 100 years ago has grown with the city which it has served.



The Newspaper of Distinction in its Readers, its News and its Advertising.

NEW YORK

THE 100th ANNIVERSARY NUMBER

On Saturday, September 2, The Sun will publish its 100th Anniversary Number, giving an interesting record of the growth of this newspaper and the development of the city, state and nation during the last century. With copies of the Anniversary Number will be distributed, without charge, reprints of the first issue of The Sun.

tion of the small merchant, followed by drastic control of business by government, such as this country has never seen, even up to this time. The danger, therefore, is from the greed and shortsightedness of those large corporations that will exert their power to take advantage of the present situation."

It is a very curious picture the thinking American sees before him at the present time. Since the days of Mark Hanna and big business we have been accustomed to look with awe upon the great corporations. When we have read the figures of their millions of investment, and their millions of sales, we have been profoundly impressed. We were also impressed by the great financiers of the country, the Morgans, the Bakers, the Rockefeller and others. Now, in the past few years we have seen some small-town lawyer, drawing a contemptible salary, working possibly for the Federal Trade Commission, calling on the executives of great corporations to come before him with their records and their books. The agent of this small lawyer has called upon these corporations and has asked to go through their confidential letter files. What has happened? Has there been resistance? No. On the other hand, we have seen these corporations, representing millions in business and in investment, submitting to the questions of this small lawyer. These lawyers and other officials have represented the *power of the government*, and the executives of corporations have humbled themselves before this power. We have not only seen this in the activities of the Federal Trade Commission, but we have also seen it in case after case in the investigations by the Senate and by Congress. Mr. Whitney, president of the Stock Exchange, Mr. Morgan and all of the other tycoons of wealth have appeared at these sessions and have submitted themselves not only to judicial and pertinent questions but to many questions and to many remarks that were neither judicial, dignified, nor competent. These men have all submitted patiently. What a lot of food for thought these spectacles have given to thinking men.

European Ideas in America

Now comes President Roosevelt with his new deal and his revolutionary methods to be adopted in business. Many of the ideas, even some that are not new, that have long been in use abroad, have struck this country as being revolutionary. Business is to be turned upside down by the new deal! What has been the attitude of



In a search for an outstanding honey package, the W. F. Straub Laboratories conceived the idea of creating nature's honey-comb in glass. By partially enclosing the jar in a cut-away carton, the illusion is complete. Owens-Illinois Glass Company produced the bottle.

the great corporations? Practically all of them have fallen in line with the new idea. They have brought forward their codes. They are willing to try the new experiment. To the spectator, to one who is familiar with history, there never has been such a situation before in the history of the world. We, of course, are today so close to what was happening that it is difficult to get any perspective.

Revolutions in Thought

Suppose a man today, after years of work, has accumulated a moderate fortune? If it is well diversified his money will be invested in real estate, in bonds and in stocks. He may have a sizable balance of cash in his bank. Now if things go right his real estate will increase in value, his bonds and stock will increase, his money in the bank will be safe. But should this great experiment go wrong, then what happens? There will no doubt be a revolution in some form, and by that I do not mean entirely a revolution of violence. There are revolutions in thought. Who, contemplating the solid, substantial Germany of prewar days, would ever have dreamed through what Germany would pass, and where she would land today? The German story is almost unbelievable. Then the revolution that has taken place in England, while not as dramatic as that in Germany, is still, as far as the lives of the people are concerned, just as far reaching. France

today is the only great nation that in a way has preserved its ancient traditions and its accustomed methods of life.

I am writing these things not in a spirit of pessimism but to indicate that if this new deal does not go through the whole country, and in fact the world, is in for a terrible time. For this reason, therefore, every effort of mind, heart and energy should be used in making the Recovery Act a success.

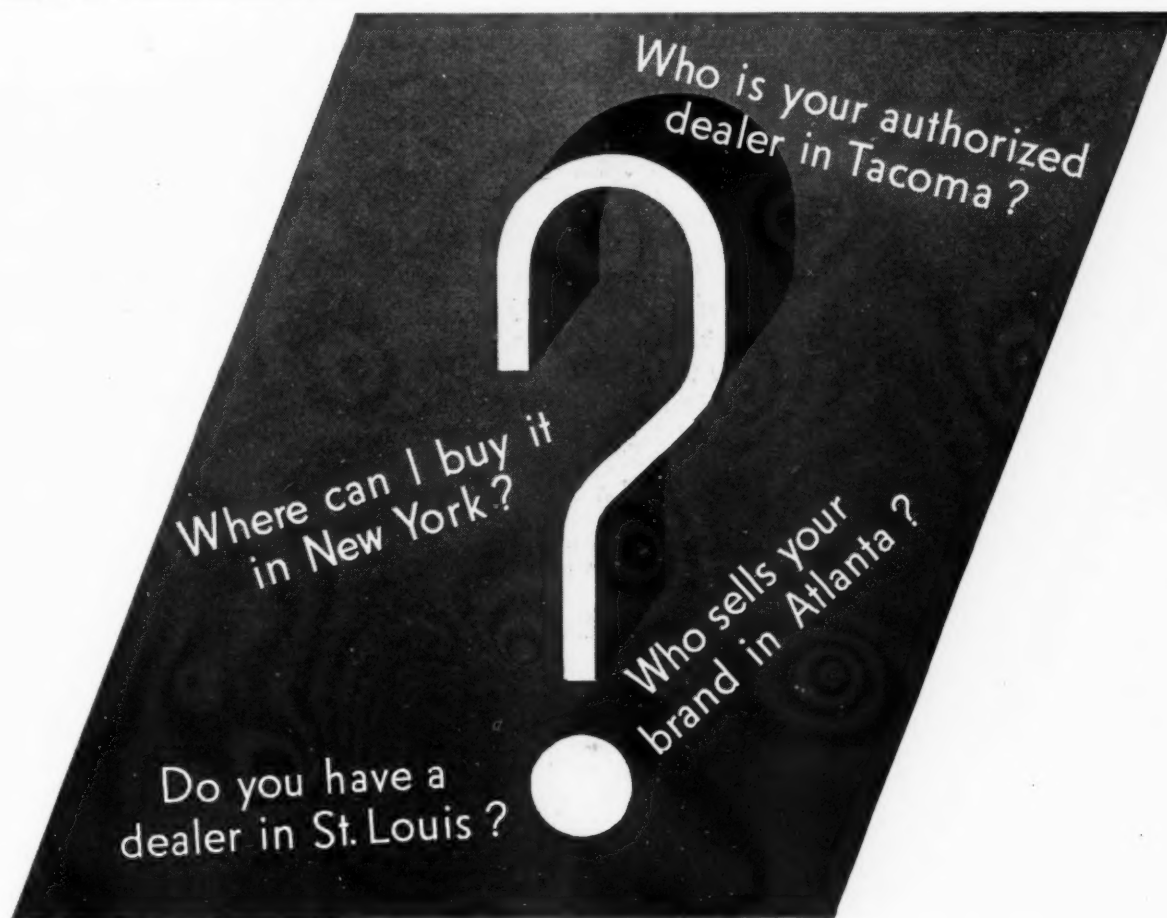
The question has been asked me: How, in my judgment, will this act affect the different classes of merchants? To me it seems that if the various codes are lived up to, first of all to benefit will be the large manufacturers. Next, if the retail code is observed, the retailers of the country will be helped. The code will not help the small manufacturer, nor will it help the jobber. Here are the reasons why I come to these conclusions:

The large manufacturers have been paying better wages than the small manufacturers. They have used national advertising. Not only are their factories well organized but their selling force is also well organized. They have consumer demand for their products. Their goods are known from one end of the country to the other, but under the old system cut-price concerns have used their goods to draw trade. Their goods have been offered not only at cut prices, but in many cases at less than cost. As a result of this many retail dealers have not cooperated in pushing the sale of nationally advertised items. In order to help their profits they have pushed special brands and unknown goods. These goods have been sold to the retailers, either direct by manufacturers or through jobbers, at lower prices than the goods that were nationally advertised.

How Will Jobbers Fare?

Now it stands to reason if the smaller manufacturers are forced by these codes to advance the price of labor up to the same prices that are paid by the larger manufacturers, then because of their smaller volume their costs will increase very much and either be in line with those of the larger manufacturers or even higher. Then, without a complete selling organization, they are sure to have trouble in distributing their goods. Take the case of the jobber. If well-known, nationally advertised goods are to be bought at the same price as unknown special brands, and if the jobber, by reason of the code, can make a satisfactory profit on these

(Continued on page 182)



Tell them "WHERE TO BUY IT" through the classified telephone book

In selling and advertising, "first base" is the dealer's store. If prospects don't get that far, they're OUT.

It's up to you to see that your prospects do reach the dealer's store—the *right* dealer at that. "Where to Buy It" Service enables you to direct them straight to your nearest authorized retail outlet.

Here is the method. Your accredited dealers or agents can be listed *below your trade mark* in classified telephone books—see illustration. Prospects who want your brand just look for your trade mark . . . and find the names, addresses and telephone numbers of authorized representatives.

Your dealers are easily identified and located. Temptation to accept substitutes is greatly reduced. Your advertising is more certain to produce results—particularly if that advertising specifically refers to "Where to Buy It."

"Where to Buy It" works just as well for sectional manufacturers as it does for national advertisers. Listings need be placed only in those directories where distribution warrants. The cost is very reasonable.

"Where to Buy It" users include such names as Mul-

tigraph, National Battery, Leonard Refrigerator, RCA Victor, Jeddo Highland.

Full information on request. Trade Mark Service Manager, American Telephone and Telegraph Company; New York address, 195 Broadway (EXchange 3-9800); Chicago address, 311 West Washington Street (OFFicial 9300).



Sales Planning

Diplomacy on Prices

Even though prices are going up—very rapidly in some fields—it's no time to be snooty with customers about it. See that your salesmen are properly instructed as to the proper way to present the higher-prices idea to prospects. Keep in mind that many of these prospects may be operating in fields which haven't yet had time to enjoy any returns from the New Deal — fields, therefore, in which money and nerves are still tight. There was an excellent suggestion of a good way to caution your men against adopting a high-handed attitude about rising costs, in the Sales Letters department of the last issue of this magazine. Look it up if you missed it.

Hour-Glass Silhouette?

There's talk—lots of it—about a forthcoming radical change in women's styles. Watch this trend, because if it comes it will affect hundreds of products.

Undiscovered Markets

Study your sales by volume and geographical source of business over a four- or five-year period. Then compare the best-performing territories, broken down into counties, with SALES MANAGEMENT'S Spendable Money Income Index (you got this April 10 of this year). Then



check the index to see what other counties have as high, or a higher, spendable money income. This will quickly show you in what markets you are *under-selling*. And it will give you something to show branch managers to give them a better idea of true sales potentialities in their territories.

Good Old Siwash

September is school and college month, which moves us to a reminder that the college market is one of those rich class markets which is still much under-exploited. Show us a small or medium-sized town that has a university and we'll show you a town that, dollars to doughnuts, is above the average in purchasing power. There's a style value in getting the college crowd to accept your product, too. More than 22 per cent of schools expect full enrollments this Fall as against only 13 per cent last year, N. W. Ayer & Son report from a study just completed. Geographically, schools in the Middle Atlantic and Far West areas made the greatest advances in increasing enrollment over '32.



Promotion and Prices

This year it would be a good idea to arrange broadsides, catalogues, booklets, etc., so that prices are either sent on a separate sheet or tipped in on a separate sheet. This will save

re-runs for corrections or unsightly changes which might be necessary before mailing.

Moving Makes Markets

We reminded you two months ago that September is the month in which thousands of families move—or, if they do not move, they have a Fall housecleaning. If you'll think back to your own last moving experience you'll remember that the old drapes and rugs and shades and furniture didn't quite fit, or they looked mighty shabby in their new surroundings. This month, therefore, opens a good-sized market for concerns in many industries—from paint and wall paper and cleaning compounds to upholstery, lamps, electric equipment—oh, make up the list yourself. The principal question to ask is "Can we turn the moving and cleaning epidemic into increased sales for our own product?"



Forgotten Man

Sell 'em and forget 'em is the rule being followed by far too many salesmen. Not enough systematic effort is made by many companies to teach salesmen how to use the user as a constant source of new leads. If your men do not seem to have the "chain-selling" hang, get out a special letter to them and enclose the single-page reprint you'll find on page 168 of this issue. They cost very little.

for September



Pushing Profitable Items

If you sell through retailers, get several of your best accounts to try out the selective profit-sharing plan which has been so successfully used by Sheaffer Pen Company. The plan is described on page 152. Its aim is to promote the sale of higher-priced and more profitable merchandise.



Find Some Thespians

If you're planning a convention for salesmen or dealers, think how your program can be *dramatized* in short, snappy sales playlets. It's far more interesting than one-man *talks*. The Air Conditioning division of General Electric just concluded a two-day national convention which was made up of eighteen playlets built around the theme, "on the line." The men were crazy about it. In every office and sales force there's dramatic talent itching for a chance to perform.

Rewards for Ducks

An eastern branch office of a big company that sells house-to-house has hit upon a workable idea for getting men out on rainy days. (It must work because this office led all others in the company in percentage of quota for the greatest number of weeks within the past year.) This branch manager has formed "The Duck Day Club." Salesmen who put in a full day when it rains are listed on the club's special bulletin board. Every rainy day's service wins a "star," and winners and runners-up over a period of time receive special prizes.

Early Bird Bonus

While we're on the subject of early starts, a big specialty distributing organization has had excellent luck offering a \$5 bonus for the *first* order brought in every day. Instead of hanging around the office after the morning sales meeting, the men scatter like buckshot in the direction of the nearest and hottest prospect.

Early to Rise . . .

This same office has a "Rise and Shine" Club which meets at 8:15 every morning. "Points" are awarded which boost a man's general standing in the office. Special prizes are awarded to the man who, by popular vote, gave the best day's performance the day before. Object: to get men started early.

Heats Before the Race

If, for some reason, you cannot get your Big Offensive under way, pull some extra effort out of the sales force between now and the time when you can release your next major campaign, by running a series of short—one, two or three weeks each—contests in which you vary the special rewards so as to place pressure where it is currently needed. It might be on new accounts. Or on collections. Or one specific number in the line. Or one model. Speed and color and rat-tat-tat promotion will put these over with good results.

Forestalling a Rush

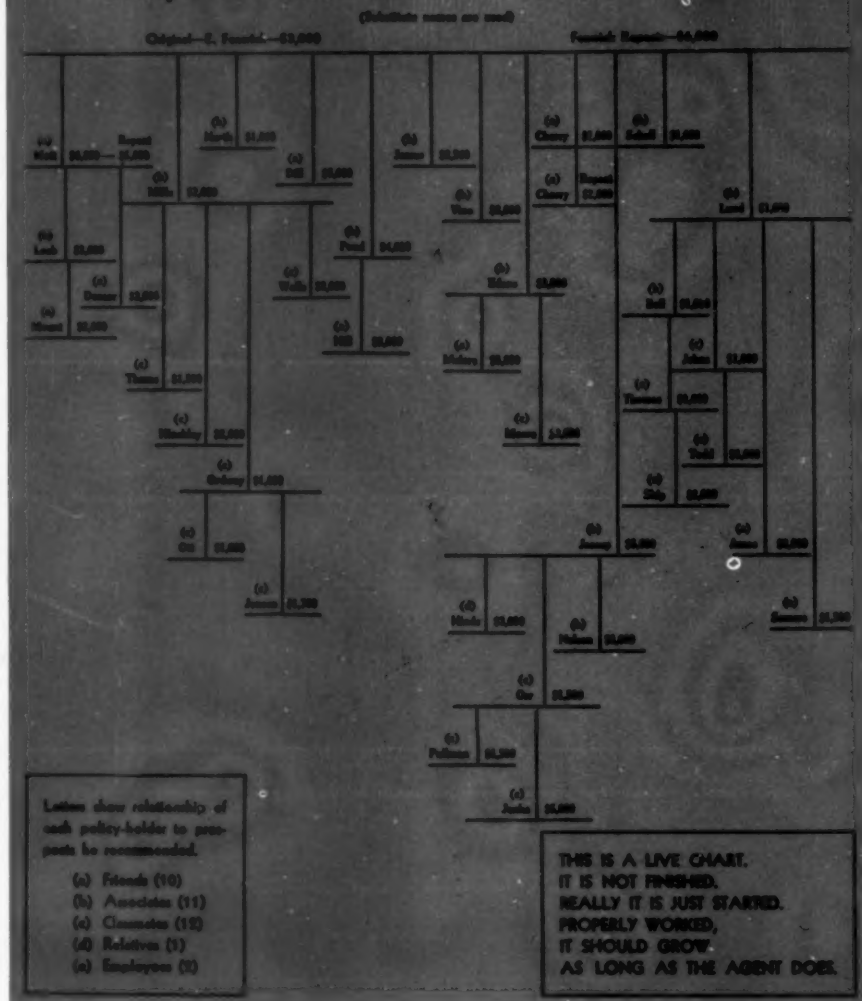
Call a meeting of all those responsible for getting the Christmas promotion stuff out on time, and have a general check-up on this year's holiday program. Don't expect your printer to do miracles at the last minute.

President to Wives

Has the president of your company ever written a letter to the wives of the salesmen to say a friendly word about the company and its products, to impress upon each woman the important part her attitude and her cooperation can play in bringing greater success to her husband? Isn't it a logical and sane and intelligent thing to do?

Marketing authorities everywhere are expressing the opinion that sales work and advertising will be more productive during the next few months than they have been in years. Marshal your men and your media, therefore, and don't fool yourself that sales will come this Fall to him who merely waits.

Chain Prospect Chart, Showing Results From a \$3,000 Beginning— Thirty-seven Persons Insured For a Total of \$104,600



Make Every Order Produce Another

THIS chart was made up by the New York Life Insurance Company from the records of one star salesman, to show how this man intelligently used a single buyer to develop a whole chain of new buyers.

Study the chart. See how this man made every order produce at least one other, until he had written a total of \$104,600 worth of insurance from one apparently insignificant \$3,000 beginning. And keep in mind that this "chain of buyers" is really just starting. Several such chains, properly worked, will keep a good salesman busy the year around and practically eliminate the necessity for canvassing.

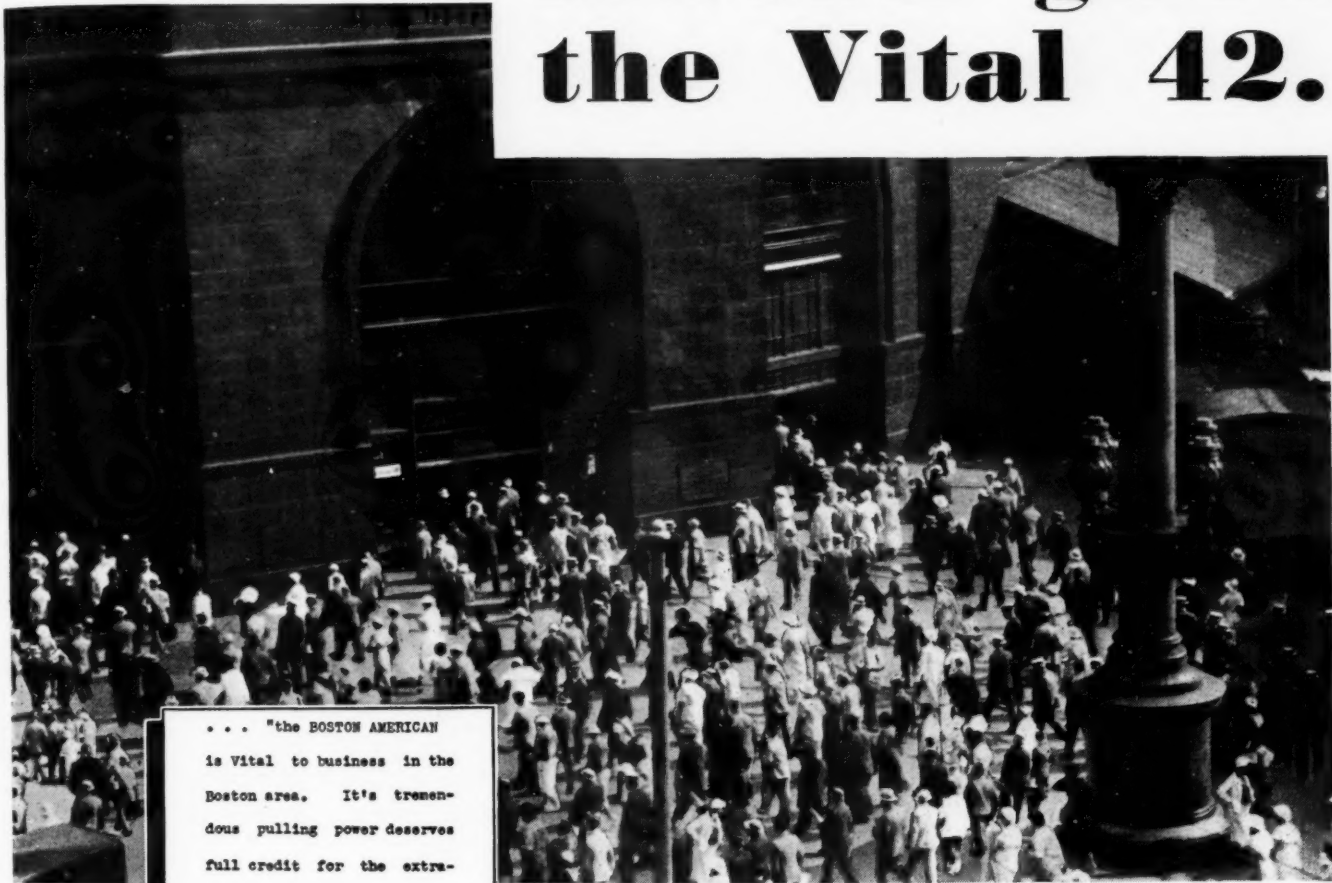
Now look over your own list of buyers of the

past two years and see if they were sold and forgotten, or were used, as they should have been, to produce new and valuable leads.

A well-sold buyer is potentially a salesman's greatest asset. Yet how many of us grab our precious contract and then rush away from our customer as though he had the plague? Oftentimes we lament that "things are a little slow," when it is we, ourselves, who are slow to grasp the sales opportunities under our noses.

Begin calls on some of your old buyers today. They may be in the market again by this time, or they may help to start chains of sales for you which will be as productive as the New York Life man made his first order from Mr. Fenwick.

HOME goes the Vital 42.



... "the BOSTON AMERICAN is Vital to business in the Boston area. It's tremendous pulling power deserves full credit for the extraordinary success of recent special sales when, on one day, over 350,000 customers visited our store".

W. Houghton
President

HOUGHTON & DUTTON, Inc.



THE day is done; they're going home. Over 247,600 New Englanders hasten to elevateds, surface cars, railways, busses. Their hands . . . hands that have beaten out the tempo of Boston's daily life; hands that have given out dimes and dollars in Boston's stores and will, again, give them out tomorrow . . . every one of their hands will hold a copy of the Boston Evening American; at home, where tomorrow's buying will be pondered and decided.

These 247,600 are a vast army, worthy of any manufacturer's cultivation . . . they are even more than an army, in fact, *they are nearly half the battle* . . . for they are, in themselves 42.1 PERCENT of all evening readers in the ENTIRE BOSTON MARKET.

With them on your side, you'll do business in Boston. Without them, you'll lose nearly half of your possible market. That is why, now that retail business is so much better in Boston, it is VITAL to write the American FIRST on any list that seeks to sell goods in Boston.

the BASIC of BOSTON is the 42.% who read the

BOSTON AMERICAN
NEW ENGLAND'S GREATEST EVENING NEWSPAPER

NATIONALLY REPRESENTED BY RODNEY E. BOONE ORGANIZATION

Thorp Heads Commerce Bureau; Exit Peanuts and Angeworms

The New Deal in Washington has changed the Department of Commerce perhaps more than any other government organization, and this is emphasized by the appointment of Dr. Willard L. Thorp, of Amherst, Massachusetts, as director of the Bureau of Foreign and Domestic Commerce, and as the twenty-third member of the "Roosevelt Faculty."

The Department of Commerce budget has been cut from \$47,000,000 to \$26,000,000, and, as a result of necessary economy and a revolutionary change in the conception of what the Department of Commerce should do, we are going to see less and less outpourings of a trivial nature, and a greater emphasis on long-time planning.

Dr. Thorp has been a professor of economics at Amherst since 1926, and since 1923 has been active in the work of the National Bureau of Economic Research, the American Statistical Association, and the Social Science Research Council. He will work closely with a recently organized business advisory and planning council of the Commerce Department in the field of long-range planning as well as supervising the more general services of the Bureau.

The Department of Commerce was criticized by many during the Coolidge and Hoover regimes because it spent so much of the taxpayers' money in making and publicizing surveys which were of value to a trifling percentage

of business organizations and which, if they needed to be done at all, were more probably the function of trade associations or the business papers covering trade and industry. The St. Louis Drug Survey, for example, came in for considerable panning because the Government went to the extreme of giving druggists advice on arranging their cases, shelves and windows.

The Department, during the past ten years, is accused of having published lengthy dissertations on raising angeworms commercially, and pointing out in sixteen-page bulletins the markets for Virginia peanuts in Bes-

sarabia. Friends of the last two administrations deny that the Department ever went as far as this, but it is true that many publications of insignificant value stole the thunder of the more important studies of the Department.

The present administration believes that "with emphasis on basic research applying particularly to problems such as the estimating of production and consumption, the growth of productive capacity, the expansion of industry in terms of equipment, markets and employment, machinery depreciation and obsolescence, the future of American foreign trade, and the wide range of similar topics—a better sense of direction can be given to business, with eventually a much greater degree of national economic security."

Home Ownership "Too Difficult"; Form Better Housing Association

"To make it as easy and convenient for the average American to own the right kind of home as it is for him to buy other commodities," the National Association for Better Housing has been formed, with headquarters in Chicago. J. Soule Warterfield, vice-president of the Starrett Building Company and chairman of the National Conference on the Renewal of Home Building, made the announcement.

Twenty-seven men, all prominent in various industries serving the home building field, form the nucleus of the new organization.

"This is the real climax of our conference of more than 500 people held in Chicago on May 9 and 10, when I was authorized by the committee on resolutions to name a continuation committee of 15 to carry on this work," Mr. Warterfield said. "So much interest was aroused, however, that we were forced to augment this number considerably, and we are proceeding with the utmost care to build up a practical organization of leaders in the housing field.

"The needs of the consumer will dominate our activities. We realize fully the obstacles that have arisen for home ownership. It has never been as easy or as convenient for the average American to own the right kind of home as to buy other commodities."

Specifically, Mr. Warterfield defined the purpose of the new association thus: "To bring together for conference, study and common action all those persons, businesses, trades and professions interested in bringing

about better housing, sounder community planning and more extensive home ownership."

To further these ends, the association will undertake:

To foster residential development in accordance with comprehensive neighborhood, community, city and regional plans designed to preserve homelike surroundings and to stabilize values.

To promote the use of good design, sound materials and improved construction methods in all residential building.

To aid in the development of less costly and cumbersome financing procedure.

To assist owners of residential property and homes in equalizing the unfair burden of taxation.

To support practical methods of rehabilitating blighted districts and obsolete structures.

To aid legislation and public movements which will promote home ownership and good building.

To conduct research on problems of land utilization, housing and home ownership.

To act as a clearing house for the collection of information and news from industries, trades and others interested in housing and home building and disseminate the same to its members and to the public.

To conduct such co-operative enterprises among the members of the association as may be in accordance with these objects.

It is further proposed to create divisions, committees and local chapters for the objects of the association, with clearly defined functions, duties and responsibilities.

Herbert U. Nelson, executive secretary of the National Association of Real Estate Boards, Chicago, is treasurer, and Henry A. Guthrie, for many years identified with associations in the building field, and who has been active in the better homes movement, is secretary, with offices at 59 East Van Buren Street, Chicago.



Acme Photo

Dr. Willard L. Thorp

Lurelle Guild, 545 Fifth Avenue, New York, is a product designer with a notable record of success. The long list of designs which he has created includes those for such varied products as cooking utensils, refrigerators and Pullman cars.

★

Don't miss the Bakelite Exhibit when you visit the Century of Progress Exposition.



Lurelle Guild says...

"Distinction in design can be happily accomplished in the varied use of well selected materials"

AND WE MAY ADD that "distinction in design" has a very potent sales appeal. Of two articles of equal technical merit, who would not prefer, and buy, the one which is distinguished by beauty of form, color, material and finish. In his designs for the aluminum utensils, shown on this page, Mr. Guild has used the silvery sheen of the metal as a most effective foil for the lustrous black Bakelite Molded handles and knobs.

Manufacturers who "Design for Selling", using the talent and training of a skilled artist-designer, are taking a long step towards sales leadership. The public is rapidly becoming beauty conscious, and products

lacking in eye appeal will become increasingly hard to sell, regardless of intrinsic merit.

The foremost product designers have found that Bakelite Materials frequently lend themselves to the practical and economical interpretation of their ideas. These materials, both molded and laminated, possess unusual strength and last indefinitely. You may obtain them in a wide variety of most attractive colors. An idea of the many opportunities which they afford may be obtained by sending for illustrated Booklets 26M "Bakelite Molded" and 26L, "Bakelite Laminated". We also would be glad to have you consult us about improving design through the use of Bakelite Materials.

BAKELITE CORPORATION, 247 Park Avenue, New York, N. Y. . . . 43 East Ohio Street, Chicago, Ill.
BAKELITE CORPORATION OF CANADA, LIMITED, 163 Dufferin Street, Toronto, Ontario

BAKELITE



"The registered trade marks shown above distinguish materials manufactured by Bakelite Corporation. Under the capital 'B' is the

numerical sign for safety, or unlimited quantity. It symbolizes the infinite number of present and future uses of Bakelite Corporation's product."

THE MATERIAL OF A THOUSAND USES



Kraft Plants Hum to Meet Demand as Miracle Whip Goes National

In the first four days Miracle Whip was featured at this store—Goerke & Sons, Newark, New Jersey—150 cases were sold, and 150 more went in the next three weeks. (There are 12 jars to a case.)

GLEEFUL at the spectacle of five plants running on 24-hour shifts to supply demand, and a bit nonplused at the degree of success of its New York and New England campaign, Kraft-Phenix Cheese Corporation on August 3 nationalized its drive on "Miracle Whip."

This "biggest campaign in the history of salad dressing" is now embracing 131 newspapers from Coast to Coast, mostly in full-page units, and over 53 broadcasting stations, on an hour's hookup on NBC, featuring Al Jolson and Paul Whiteman in the Kraft Musical Revue.

Curiously, two months ago Kraft had no notion of going into the salad dressing business on such an elaborate scale. Noting that during the past several years mayonnaise has been doing little better than holding its own in public esteem, while salad dressing sales have gained approximately 57 per cent, Kraft took interest. Kraft has been making both mayonnaise and salad dressing for some years. It had been featuring, however, its Kitchen Fresh mayonnaise to the point where its salad dressing was little more than a step-sister.

It Sells for One-third Less

With grandmother's "boiled dressing" thus gaining favor, Kraft decided not to buck the current. About a year ago a new dressing was developed. In taste, body, and fat content, it ranged

somewhere between the old type of salad dressing and mayonnaise. It could be sold for about one-third less than mayonnaise.

Without advertising, publicity, sales pressure or any special identifying name, it was tried out in the Omaha district—Omaha and other towns and cities in that general trade field. It gained favor. Repeat orders came. It was accepted.

While all this was going on, Kraft had been looking, a bit covetously, on the rich New York and New England market, where Hellman's mayonnaise (Best Foods' protégé) seemed to have the market pretty well sewed up. Kraft wanted a share of the New England business.

A Red-Hot Campaign

So a campaign was started June 15 to get it. The dressing tested in Omaha was selected to do the job. It was labeled "Miracle Whip." (The name grew out of a new machine developed in the last few months.)

A red-hot campaign was started. Not only the mayonnaise industry, but the whole grocery trade, was agog almost over night. Forty-four New York and New England newspapers carried the story—many in full-page units. Two-hour broadcasts were put on over WEAJ in New York; hour programs in New England.

Of results, John H. Platt, advertising manager of Kraft-Phenix, told SALES MANAGEMENT: "The speed

with which Miracle Whip took hold in the Northeast is indicated by the fact that 85 per cent of all distributors in the territory had stocked it within three weeks of the day it was announced. In six weeks the product was in first place in sales in the New York and New England market.

"We did not intend it as a test campaign," Mr. Platt said further. "But so it proved to be. We had merely intended going after business in a section where we felt we weren't getting our share. Miracle Whip got such a welcome that we decided to extend its distribution to the entire nation at once.

"The introductory campaign includes: the biggest newspaper campaign ever undertaken for any similar food product; the biggest radio campaign for any like product; four-piece window displays in four colors; 4-color posters and counter cards; 4-color radio show cards; thousands of handbills. Special open selling display tables are used and a corps of demonstrators are out.

"We do not look upon Miracle Whip as a substitute for Kraft mayonnaise. We will continue to push the sale of mayonnaise as hard as ever. We do believe that salad dressing is opening up a new field. Perhaps the time was just right for launching a new product."

Not Unaided by Experience

Kraft has had previous experience with changing brands and introducing new brands. In the last few years Kraft has bought and consolidated Easton's, Wright's, Gelfand's and Henard's mayonnaises. Each was a leader in its own particular field. In each case Kraft brought about the substitution of the Kraft name for the accepted local brand without loss of sales or prestige. (SM, September 12, 1931.)

Cut to Your Pattern

THE Memphis Press-Scimitar has increased its subscription price fifty per cent.

Organized national advertisers, through their spokesmen, have continually advocated higher subscription prices as tending to create a better type of circulation with greater purchasing power.

The circulation of the Press-Scimitar is ample in quantity—with a tremendous improvement in quality.

Advertisers now can buy the *complete* evening-reading time of Memphis families at only *twenty cents* a line.

An extensive program of editorial expansion has been put into effect, including complete regional and national coverage of financial news and greatly increased space for society news and household features. The Associated Press service has been added to that of the United Press, NEA and Scripps-Howard Newspaper Alliance.

The Memphis Press-Scimitar

A Scripps • Howard Newspaper

NATIONAL ADVERTISING
DEPARTMENT OF
SCRIPPS-HOWARD
NEWSPAPERS
230 PARK AVENUE, N. Y. C.



MEMBER OF THE UNITED
PRESS . . . OF THE AUDIT
BUREAU OF CIRCULATIONS
and of
MEDIA RECORDS, INC.

CHICAGO . SAN FRANCISCO . LOS ANGELES . DALLAS . DETROIT . PHILADELPHIA . BUFFALO . ATLANTA

A Palm Beach Primer

By Don Herold

Not all Palm Beach suits are light-colored. They come in every shade, from white and dark gray, etc.

Not all summer suits are Palm Beach suits. There are many other suits, but only one is Palm Beach.

Palm Beach will not shrink, fade, or lose its shape, even after many washings.

The creases stay... the wrinkles don't. Palm Beach is of a material which resists marring.

You can get Palm Beach suits, and even extra pairs of trousers, or hats. They're great for sports.

Buy a complete wardrobe of Palm Beach... a white suit and a dark blue suit to suit. Wear a dark coat and light trousers when you wish.

Palm Beach is especially appreciated by heavier men... in whom confidence and courage mean a lot.

And Magee's have just received a new shipment of Palm Beach suits. The price is \$12.50.

Address: 1000 Park Ave., New York.

Magee's



PALM BEACH SUITS

CUT OVER A SHIRT CUSTOM PATTERN

RECOMMENDED FOR LIGHTNESS IN WEIGHT, SHARP-RETAINING QUALITIES, AND THE FACILITY IN CLEANING: GREY, BLUE, TAN AND WHITE SHADES.

SINGLE AND DOUBLE BREASTED

12⁵⁰

Finchley

Indian Hill, Chicago • 17th Ave., New York

Many retailers were induced to create special Palm Beach shops this year. Below—a swanky layout at Kronheim Continental, New York.



50-50 Newspaper Advertising Doubles Palm Beach '33 Sales

TWO years ago the Goodall Company of Sanford, Maine, makers of widely known "Palm Beach" cloth, decided to begin manufacturing men's summer suits themselves. This meant the organization of a special sales force to develop the necessary distribution through men's wear and department stores.

During the season of last year about 2,000 accounts were opened, and sales were satisfactory, considering the depression, the abnormally cool weather in some sections, and the fact that the enterprise was just starting.

This year, mostly through a 50-50 advertising plan in which Goodall splits the cost of local newspaper space with dealers, sales have doubled. Sales might even have done better than that had the company not actually been oversold at certain periods late in the season—a somewhat unexpected development which arose out of the New Deal plus 90-and-more degree temperatures practically the country over.

The 50-50 plan used by Goodall, developed by L. S. Goldsmith, advertising agent for Palm Beach, has several "hooks" in it which are planned to forestall retail price-cutting, and, at the same time, to build maximum prestige for the line. The company told the dealers it would match its

half-dollar against the dealer's half-dollar, thus creating a fund of \$1 a suit for local advertising, provided, 1. that the dealer bought 100 or more Palm Beach suits during the season (in towns of 25,000 or less, 50 suits or more), 2. that all advertisements must be individual Palm Beach ads, featuring the Palm Beach label, and 3. that all advertisements must feature the product at the suggested minimum price.

"We reasoned, in drafting this plan," Mr. Goldsmith said, "that the dealer would accept our proposition because he could, through it, have twice as much local advertising as though he were spending his money only. By pulling customers in to see Palm Beach, he could create store traffic, sell other types of merchandise as well as summer suits. Further, he was protected on price when he advertised Palm Beach; he was reasonably sure the suit he advertised at \$12.50 wouldn't break out down the street at \$9.75. Inasmuch as linens and other types of summer suits were slashed right and left during the current season, this was a matter of some importance—the protection of his dealer's profit."

The idea worked pretty much as planned. Mr. Goldsmith estimated that 90 per cent of the dealers who were in a position to take advantage of the offer did so. No totals are available as yet on local lineage, since

the plan called for billing at the end of the season.

The agency furnished advertising copy and mats free of charge, but, with key accounts, on an exclusive or semi-exclusive basis.

Goodall's entry into the suit manufacturing business was brought about through a chaotic price and quality situation which had developed among the concerns that had been purchasing Palm Beach cloth for fabrication. Price fights developed first, and these led to skimping, poor tailoring, and other practices damaging to the quality of the finished garments, with the result that the Palm Beach name, carried on a label in every suit, began to suffer. The company decided that one of two things had to be done: more rigid licensing of fabricators would have to be enforced, or the company itself would have to begin making its own suits so that price, quality and reputation could properly be guarded. The latter course was chosen—and has proved a wise move.

Highlights of this year's season: increased use by dealers of light, breezy, "cartoon" type of copy (done by Don Herold) as against more conventional forms (influence of comic strip advertising?); increase in number of dealers to about 3,500; vigorous promotion by dealers of such new style numbers as the "mess jacket"; creation by many retail stores of special "Palm Beach Shops."

Free Wheeling can't climb hills

— says Joe Hawley, salesmanager

A LOT of outfits that figured they would slide through the depression on momentum are in the ditch. Nobody doped tough times to last longer than a dose of Dutch measles. It looked kinda smart to sit under a tree until the sun came out.

"But sitting still never brought anybody closer to the corner. Some of the guys who got out and pushed can see the turn. Others who had the world by the tail a few years back are under the counter now. They hoped to get by on reputation.

"Free wheeling won't carry anybody uphill. Folks aren't buying stuff because it was popular when their grandmothers wore woolen underwear. And dealers aren't asking customers to call to mind the good old days when so and so ran 4-color spreads in the National Bugle. While they were handing out that line,

the customers who wanted to get waited on would waltz right off to some other shop where they got what they call service.

"Too much optimism in the late twenties and too little in the early thirties messed up a lot of business. It left some manufacturers with a million dollar addition to house the shipping department and an outhouse full of common stock that was once quoted on the big board. . . . And no fighting spirit!

"Now that the situation is easing up a bit, our shop has forgotten the distress we found ourselves in some time ago. The only corner we could see then was the one where the sheriff was waiting. We had to make our sales and advertising money go farther and do more, darn quick. So we picked out the one outstanding market in America and packed our salesforce into it. We did a healthy job where there was profit in peddling merchandise. The Sunday News carried our advertising because it reached so many people so economically. We got by when things were at their worst. And we figure we're in line now to shoot ahead faster than ever."

MASS memory is pretty short. Last year's labels are as old as yesterday's tin cans. Good will may be worth a million today and a dime after a while. Habits, tastes, and population are changing. Every hour brings a new quota of consumers. Every hour sees familiar faces pass on.

Advertisers and newspapers and hats must keep pace with the times, or disappear. The scene and the scenery shift from day to day. In good times and bad, people are getting married—even though the in-laws take all the risks. Last month's interest in clothes and cosmetics becomes this month's concern for groceries and a four room flat or a house in the country. In New York, if you don't use The News you don't reach the people.

A million families in New York City read the Sunday News. In eight other cities of 100,000 and up, 23% to 50% of the families read it. Here is a big-city population of more than 1,500,000 outside New York City, and well over one-third of the families are Sunday News readers. In 95 cities of 10,000 population and up, News coverage never cuts below 20%.

Harness your business to News low cost, high visibility, heavy coverage—if you want the most out of the best and biggest market.

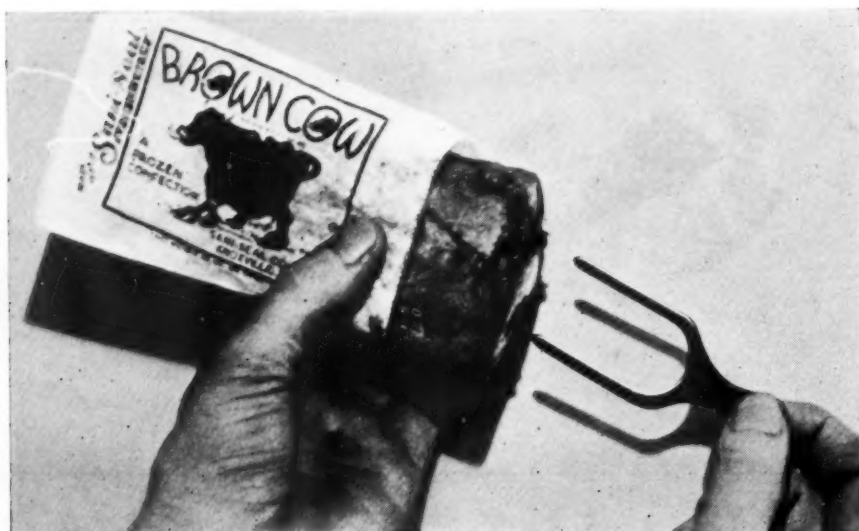


THE NEWS

New York's Picture Newspaper

220 EAST 42nd STREET, NEW YORK
Tribune Tower, Chicago + Kohl Building, San Francisco

MEMBER OF METROPOLITAN SUNDAY NEWSPAPERS



Many manufacturers are not only improving the appearance of their packages, but are making their products easier to use through devices attached to the packages. The Sani-Seal Company of Knoxville, makers of Brown Cow, a chocolate-covered frozen ice cream confection, provides a Bakelite molded fork with each bar. The two prongs fit into grooves in the ice cream.

Coty Pushes Perfume Racket War; Claim Dealers Aid Fraud

HOW leading retailers aid perfume racketeers in their business of selling spurious scents under the trade-mark of widely known manufacturers is explained by L. G. Bernstein, head of the legal department of Coty, Inc., who has taken more than fifty such cases to the courts during the past two years.

Owners of cut-rate drug stores and other operators who prey upon legitimate manufacturers through counterfeiting call on department store buyers, offering perhaps \$1 a bottle for the large-size empty containers of well-known houses.

Shopping Tour Spots Offenders

"Even though these buyers know the bottles are wanted for illegal purposes," Mr. Bernstein said, "they can't resist the temptation, in many cases, to pick up a little extra money. But you can depend upon them to howl their heads off when some cheap cut-rate store down the street puts 'Coty' or 'Houbigant' or some other well-known brand in the window with a cut-price tag on it. If they only realized that they are working against their own interests in allowing empty bottles to get into the hands of questionable sellers, they would use every care to see that they are properly destroyed."

Limited largely to sales "by the dram," or bulk sales where small bottles are filled from one large bottle bearing the manufacturer's label, counterfeiting of perfumes is still a serious problem for large advertisers in the perfume field. Coty, with the cooperation of the Perfume Importers' Association, some time ago systematically "shopped" some 400 stores in New York and vicinity to obtain samples for analysis and to uncover outlets for spurious stocks. At that time about 25 offenders were spotted and either brought to trial or warned against repetition of the offense.

Trailing the Crooks

One Al Hirsch, a wholesaler with offices at 19 West 34th Street, New York, was found peddling spurious scents from office to office. Nemesis met him when he by accident blundered into the office of Mock & Blum, who happen to be attorneys for the Perfume Importers group. A "friendly" soul in this office sent the salesman to Bernstein's home on the tip that he was a good prospect. Bernstein purchased a bottle of spurious *Quelque Fleur*, noting the name on the business card the salesman gave him, and noting after it the name "Houbigant" when the salesman told him it was a Houbigant product.

When this case came up in the com-

mercial frauds court, where it is still pending, Hirsch denied having sold the product, denied having represented it as *Quelque Fleur*, denied he said Houbigant made it. It even developed, when the case came up, that Hirsch, a short time before, had sold some of his fake brands to several of the girls who worked in the commercial frauds court offices—literally under the nose of the court which later began proceedings against him.

A Burden on Advertising

Another manufacturer, David Kohler, 350 Fifth Avenue, was found selling counterfeits of Guerlain, Caron, Houbigant, Bourjois, Coty and others, on the office-to-office plan. His salespeople even carried a current perfume advertisement of Gimbel Brothers, which had appeared in the *New York Daily News*, on which their own prices—ranging from 25 to 50 cents a dram—were noted opposite Gimbel's prices, which at that time ran from 29 cents to \$1.69 cents a dram.

While offenders usually attempt to simulate the odor they wish to counterfeit, one stunt for better deceiving customers is the use of a cork which has been soaked in the genuine perfume, in the bottle from which the customer buys.

"Racketeering of this kind," Mr. Bernstein said, "acts to the serious detriment of national advertising. Not only do we lose the original sale, but—and this is even more important—we suffer from the ill-will which results when customers are dissatisfied, as they inevitably are, with the perfume they bought."

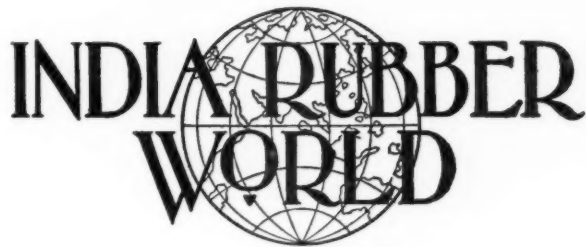
Just one incident shows how serious this may become, if effort is not made to check this type of fraud. A large department store was giving a special Coty demonstration recently, with elaborate tie-ups in counter display, advertising and so on. As a group of women stood watching the demonstrator, one standing near was heard to say, "Oh, I wouldn't buy that. It's terrible stuff."

It happened that a relative of one of the Coty executives was standing near. She approached the woman who complained, asked if she had a sample of the scent she had found so unsatisfactory. The woman did have, and subsequent analysis proved it to be spurious.

The Federal Bar Association in a report submitted by its anti-racketeering committee has recommended the inauguration of an American Scotland Yard with a national police force whose sole duty it would be to control racketeering and attendant crimes.

If It's RUBBER

for . . . of . . . or about . . .



*is the Direct Channel to the
International Market —*

68% of our Advertisers have used
space regularly for five years

Because

results have been steady and consistent

- IT IS A STRONG ENDORSEMENT
FROM THE MAN WHO SPENDS —

INDIA RUBBER WORLD

Has covered everything and everybody, worth-
while, in the rubber industry of the world, since
1889. It is the recognized authority of the trade.

Circulation, advertising rates
and market data on request.

Published Monthly by

BILL BROTHERS PUBLISHING CORP.

420 Lexington Avenue

New York, N. Y.

Super-Market Invades Philadelphia, Featuring Bone-Deep Price Cuts

Apparently inspired by Cullen's "Big Bear" (SM, April 20, 1933), a new super-market calling itself "Jumbo" opened in West Philadelphia on July 28 to strike terror (repeating the history of the New Jersey experiment) into the hearts of nearby chains and independents alike.

Housed in a large, high-ceilinged building on South 41st Street, formerly a taxi garage, it occupies about half a block of space and provides free parking for patrons.

The day the SALES MANAGEMENT reporter called the manager was "out" and none of his henchmen was willing to make any statement as to the identity of the backers.

Shining with cream and green paint, the store is attractively arranged on a highly departmentalized plan. Space is about equally divided between fruits and vegetables, and packaged foods. Meat forms a major department and several leading national brands are carried. All prices are below chain store quotations and a great many products appear under the "Jumbo" private label. A few nationally advertised names were noted on the opening day—Del Monte and Libby among them.

Majority of the canned goods was supplied by Reeves, Parvin and Company, some by Phillips Packing Company. The claim is that the canned foods carried are equal in quality to better known brands, and attendants signified willingness to open a can or jar at the customer's request, without obligation. There were no national brands apparent in the coffee department, though they were pushing a paper-packaged brand called "Show Boat" which looked like an attempt to cash in on Maxwell House's radio program.

A serve-yourself system much like that of the Piggly-Wiggly stores gave shoppers a lot of fun (Philadelphia has only two or three such stores so they're still a novelty there). An imposing array of cashiers presided over a battery of adding machines which bore signs, "Adding machine addition prevents overcharges that hurt you and undercharges that hurt us."

"Jumbo" has been using small space every Thursday in Philadelphia newspapers, supplemented by a blanketing of the town with broadsides quoting prices and savings "which we are enabled to make because of the size of our purchases, and which we pass along to you."

A loudspeaker system in the market is used to point out to prospective customers special bargains and to give other general information on marketing.

A special police force was summoned to control the crowds on the opening day, eye witnesses say, and nearby chains reported in some cases substantial loss of volume, particularly during the first week.

Buick-Olds-Pontiac Opens Heavy Barrage; Seek 15% of Car Sales

More than 500 champion salesmen of the Buick-Olds-Pontiac Sales Company, winners of trips to the World's Fair, met in Chicago for a four-day convention on August 7. Working hours were brief. The most of the time was spent in seeing the sights of the Century of Progress exposition.

W. A. Blees, general sales manager, and the sales managers of the Buick, Olds and Pontiac companies, with other officials, outlined plans for the coming season's sales effort.

Colored charts, specially drawn, revealed the percentage of recent sales for each car and its competitors in the same price class. The charts gave figures for each of the leading sales centers and for the country at large.

According to these figures the Buick-Olds-Pontiac group, in many sections, are outselling all competitors combined in the same class. Mr. Blees outlined the general campaign for more business as follows:

"More sales managers, more salesmen, more sales contacts through service, more dealers, more dealer profits, more demonstrations. A better understanding of our responsibilities. Our goal—15 per cent of the automobile sales in the entire industry."

The advertising campaign for the remainder of the year was outlined as follows:

BUICK—Full pages in the *Saturday Evening Post*, *Literary Digest*, *Time*, *Fortune*, *New Yorker*, *Sportsman*, *Arts & Decoration*, *Good Housekeeping*.

Farm Market—*Country Gentleman*, *Successful Farming*, *Cappers Farmer*, *Hoards Dairyman*, *Farm & Ranch*, *Holland's Magazine*, *Oklahoma Farmer & Stockman*, *Southern Agriculturist* and *Progressive Farmer & Southern Ruralist*.

Two thousand newspapers.
To the Trade—*Motor*, *Automobile Topics*, *Automotive Daily News*, *Automotive Trade Journal*, *Southern Automotive Journal*.

Radio—Through August and September the entire NBC Red network, 42 stations, coast-to-coast, one-half hour every Monday night.

Combined Buick-Olds-Pontiac advertising in the above mediums at intervals.

OLDS—Center spreads, in color, in the *Saturday Evening Post* for the remainder of the year.

Farm Market—*Progressive Farmer & Southern Ruralist* and *Southern Agriculturist*.

Eighteen hundred newspapers.

To the Trade—*Motor*, *Automobile Topics*, *Automotive Daily News*, *Automotive Trade Journal*, *Southern Automotive Journal*.

Radio—For eight weeks, Columbia Broadcasting chain, 53 stations, 15-minute programs on Tuesdays and Thursdays.

PONTIAC—Full pages, in color, *Saturday Evening Post*, *Collier's*, *American*, *Red Book*, *Cosmopolitan*, *Good Housekeeping*.

Farm Market—*Successful Farming*, *Southern Agriculturist*, *Farm & Ranch*, *Oklahoma Farmer & Stockman*, *Hoards Dairyman*, *Wallace's Farmer*, *Holland's Magazine*.

Posters—August poster showing in 500 cities.

Twenty-four hundred newspapers.

To the Trade—*Motor*, *Automobile Topics*, *Automotive Daily News*, *Automotive Trade Journal*, *Southern Automotive Journal*.

Radio—Two programs, CBS, 51 stations, 15 minutes, each Tuesday and Wednesday for 8 weeks; 45 stations, 5 minutes each, Mondays, Thursdays and Fridays; spot broadcasting, electrical transcription.

Barry Heads Distributors' Sales-Service Division

Advertising Distributors of America, Inc., the national association of the larger advertising and sample distributing organizations of the United States, with members in all principal cities, has established a national sales and service division in charge of John B. Barry (see photo on page 149) as national advertising and sales director. Headquarters are in Cleveland, Ohio.

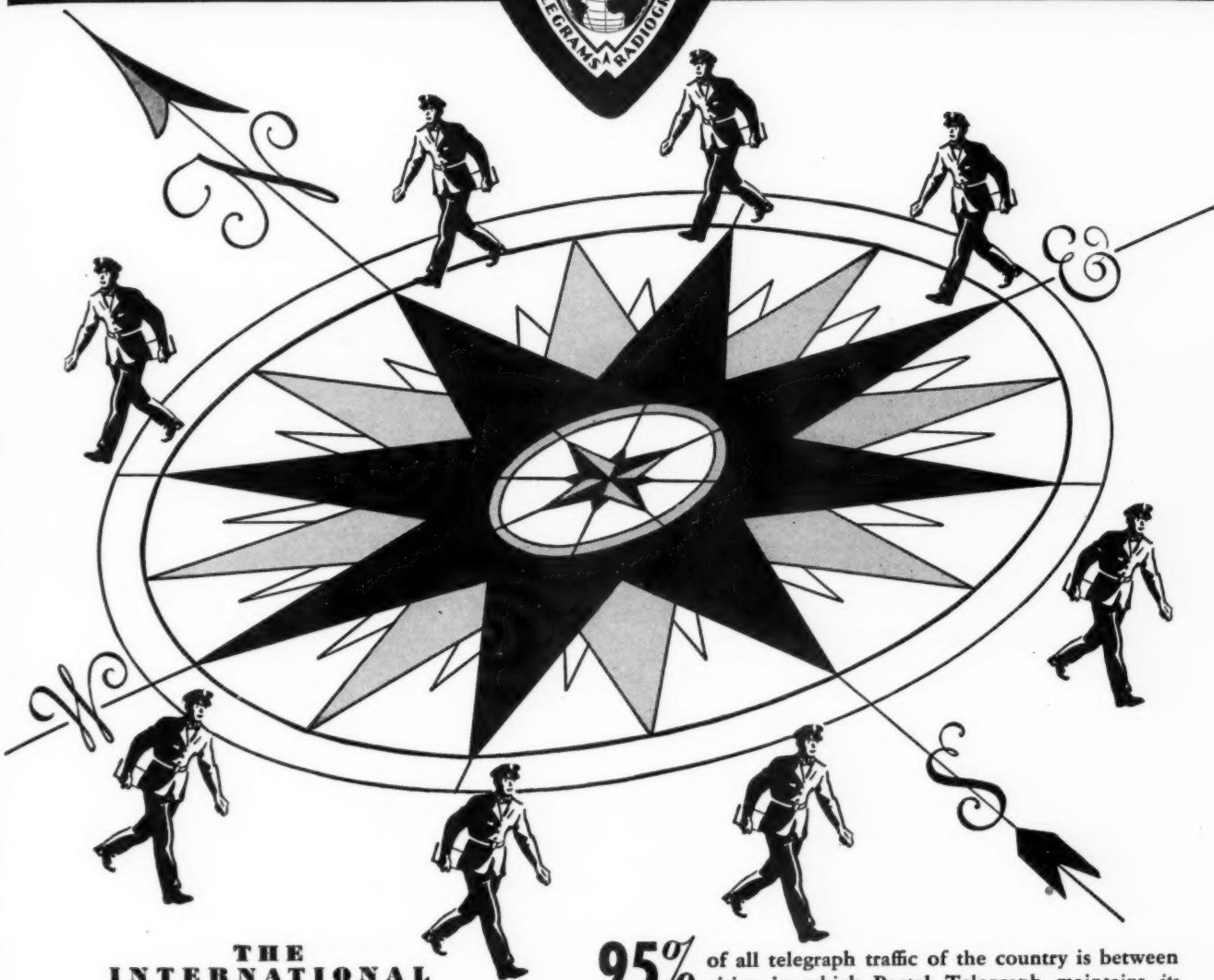
To facilitate service to national advertisers, zone offices are being immediately established in fifteen of the principal trading centers. This activity will coordinate the various services available through the association's several hundred members and provide uniform methods of supervision and inspection of all distributing contracts.

Mr. Barry, until his appointment, was sales director of the House of Hubbell, Inc., Cleveland agency handling the Advertising Distributors' account.

Investigations, surveys and statistical zone marketing data for advertisers will be available through the association's new sales division, in connection with which there will be provided a special advertising service to clients of members of the association.

THERE IS NO PLACE THAT
CANNOT BE REACHED BY

Postal Telegraph



THE
INTERNATIONAL
SYSTEM
Postal Telegraph

Commercial
Cables



All America
Cables

Mackay Radio

95% of all telegraph traffic of the country is between cities in which Postal Telegraph maintains its own telegraph offices for the sole purpose of receiving, transmitting and delivering telegrams. There is no point for which Postal Telegraph will not accept and transmit your telegrams with promptness...with dependability...with accuracy.

Postal Telegraph is the only American telegraph company that offers a world-wide service of coordinated telegraph, cable and radio communications under a single management.

HITCH ON...

diversified Cincinnati is going UP

MEN and materials and money and merchandise are moving faster in Cincinnati. With the general improvement Cincinnati is a little farther ahead because the start up was from a higher level than most markets.

The wide diversification of industry in Cincinnati prevented a nose dive and the same diversification distributes the upward trend over a wider front. The varied production presents a broader activity, more jobs, higher salaries and a greater buying power than in the spectacular one industry markets. Don't be dazzled by fireworks.

Increasing sales are to be had today in active Cincinnati, where sales always were, and you don't have to start from scratch. Hitch your efforts to profitable Cincinnati and to the result-getting Times-Star.

CINCINNATI TIMES-STAR

HULBERT TAFT
President and Editor-in-Chief

Eastern Representative
MARTIN L. MARSH
60 East 42nd Street
New York

Western Representative
KELLOGG M. PATTERSON
333 N. Michigan Ave.
Chicago

Medicine

Spokane's Prosperity Parade

The Spokane *Spokesman-Review* this year is celebrating its Golden Anniversary, and this enterprising paper issued late in July an eighty-four-page edition which dramatizes the fifty years of progress, with the keynote "The sun is shining gold on the basic industries of Spokane and the inland empire."

In 1883 Spokane was a thriving settlement of 1,500 hardy pioneers. Today it is a metropolis of 116,000 and the center of a 175-mile trading territory which produces one-tenth of all the nation's wheat; one-fifth of all the nation's apples; one-third of the lead; one-fourth of the silver; one-fifth of the water power, and more than five hundred million dollars of new wealth annually in agriculture, mining, lumbering and manufacturing.

Already this year fifty million dollars has been added to incomes in that section, with wheat jumping 100 per cent; silver and lead, 55 per cent; apples, 50 per cent; wool, 175 per cent; with lumber operations steadily increasing and the largest body of white pine timber in the world to draw from.

For more than ten years readers of SALES MANAGEMENT have seen the distinctive promotion advertisements of the Morning and Sunday *Spokesman-Review* and the Evening and Weekly *Spokane Daily Chronicle*, headed, respectively, by W. H. Cowles and Henry Rising, and aggressively promoted by Tom Turner, national advertising manager. The same group of men publish the Pacific Northwest Farm Trio. This promotion campaign which runs consistently in SALES MANAGEMENT, dating almost back to the founding of this magazine, has been distinguished by emphasis on marketing facts.

A contest which was held several years ago to determine the kind of information which sales executives and company officials wanted to get about advertising media, developed the fact that these Spokane advertisements were among the most widely read and acted upon of all the many publication campaigns.

The Golden Anniversary edition is a mine of essential market facts about the Pacific Northwest. So long as the supply lasts, Tom Turner will be pleased to send copies to manufacturers and advertising agencies. Address him direct at the *Spokesman-Review*.

Business Bureau to Police Copy

The Advertising Review Committee, made up of representatives of the ANA, the Four A's, the publishers and broadcasters, has revised its plan of operation so that if a complaint is made by the National Better Business Bureau covering a violation of the advertising code adopted by the Review Committee, the Better Business Bureau will request the advertiser to desist. If the advertiser does not do so, or does not agree with the Bureau, he may obtain a hearing by the Review Committee on the alleged violation. If the offending advertiser declines to appear before the Committee the operating plan provides that the Review Committee may consider all of the evidence and make a

decision. The practices of the offender may be publicized to the attention of the business world generally, and also called to the attention of law-enforcing agencies if it is believed that the practices violate the law.

The New Four A's Contracts

The American Association of Advertising Agencies has revised its standard order blank and it has been adopted by the ANPA, PPA, ABP, and APA. Back in 1920 the Four A's worked out a standard order blank which was adopted by all of its members and by many other advertising agencies. Although this blank was a great improvement over any other order form, it contained a number of obscurities, and it omitted several points of controversy.

The new form contains one major change, "the agency agrees to pay and the publisher agrees to hold the agency solely liable for payment for the advertising covered by this contract."

Second Best Newspaper

Most of us are so anxious to be first in everything we do that if we don't reach that exalted position we say nothing about our relative standing. An interesting exception is the *Advertiser*, of New Canaan, Connecticut. The current issue carries a streamer head above the name of the paper, "The Second Best Weekly Newspaper in the United States—National Editorial Association." Below the name logotype this interesting paper calls itself, "The only newspaper printed in the next station to Heaven," and a motto, "Grow or Go."

Time Elevates Black

Howard Black, whose experience on the business staff of *Time* dates back to the early days of that magazine, has been made advertising manager. His promotion coincides with an upturn in lineage for that magazine which has shot its August business 68 per cent ahead of last year.

Personnel Changes

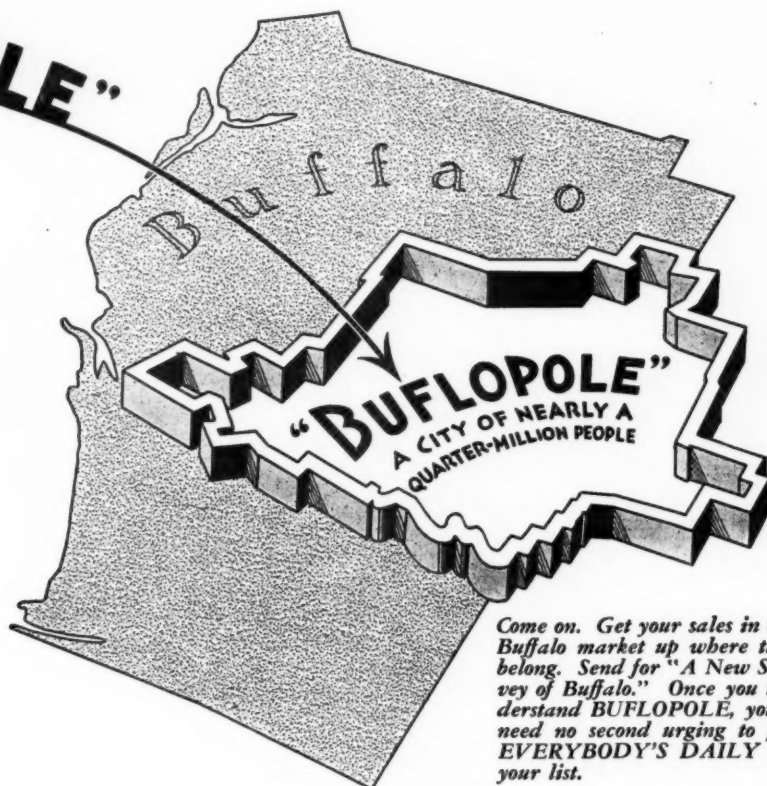
Louis V. Hohl, formerly associated with SALES MANAGEMENT magazine, has joined J. L. Arnold Company, Inc., as vice-president and sales manager. . . . Herman A. Groth, until recently vice-president of William H. Rankin Company, has become vice-president of the Charles H. Touzalin Agency, Chicago. . . . Sherman Rogers has joined Fertig, Slavitt & Gaffney, Inc., as publicity and radio director.

Account Changes

The Western Company (Dr. West's toothbrushes and toothpaste, etc.), Chicago, to J. Walter Thompson Company. . . . Palmer Brothers Company, New London, Conn., to N. W. Ayer & Son. . . . Fisher Body Corporation, Detroit, to Erwin Wasey & Company. . . . The Waldes Koh-I-Noor Fastener Company, Long Island City, New York, to Hanff-Metzger, Inc. . . . The 40-Fathom Fish Company, to Street & Finney. . . . The White Tar Company, Kearny, New Jersey, to Batten, Barton, Durstine & Osborn, Inc.

"BUFLOPOLE"

... just as much
a separate city
as if it had
a wall
around it



Come on. Get your sales in the Buffalo market up where they belong. Send for "A New Survey of Buffalo." Once you understand BUFLOPOLE, you'll need no second urging to put **EVERYBODY'S DAILY** on your list.

and you'll miss nearly half of the Buffalo market
until you discover this one way in!

HAVE you been considering the Buffalo market as a unit? Then it's time someone nudged you. The market is actually two distinct cities—BUFLOPOLE and its neighboring city of Buffalo.

BUFLOPOLE is a city of 236,714 souls,* all of Polish birth or ancestry. All joined together by one religion, by one mother tongue. They have their own churches. Their own schools—43 of them. Their own colleges. Their own clubs, societies, community houses, libraries and assembly halls, over 3,000 retail stores. BUFLOPOLE is a more closely knit, homogeneous market than any other city of comparable size in America.

And here are some statistics that will floor you. BUFLOPOLE contains nearly 40 percent of the families in the Buffalo area—but consumes 60 percent of the food. Big eaters? That's only half the answer. Big families, too. The birth rate in BUFLOPOLE is 30 percent higher—and the death rate lower—than across the street in Buffalo.

All right. We know what you're going to ask next. Do the people of BUFLOPOLE read advertising? Do they buy? That's easy. They buy 90 percent of the Maytag Washers sold in the Buffalo area—over 60 percent of the Borden's Condensed Milk—72 percent of the Rinso. Kellogg's Corn Flakes (for years advertised in the **Everybody's Daily**) sells

99 percent of all the Corn Flakes sold in BUFLOPOLE; and we can give you figures on a raft of other products—from Chevrolets to sugar.

Now, back to the "one way in." One newspaper blankets BUFLOPOLE—and only one. One newspaper—and only one—carries the full local news of BUFLOPOLE doings, and the full news of the motherland, that BUFLOPOLE'S people want. **Everybody's Daily** is delivered to over 90 percent of BUFLOPOLE'S homes.

And make no mistake. You can't cover BUFLOPOLE with the three English language papers published in Buffalo. National advertisers have used heavy schedules in all three, and barely scratched the surface of the BUFLOPOLE market.

Other national advertisers have discovered the "one way in"—BUFLOPOLE'S own local newspaper. **Everybody's Daily** pays so well for them that they place in it the largest national advertising lineage of any foreign language newspaper in the United States.

These national advertisers are simply following the lead and the advice of local merchants and distributors. For, with the sole exception of one Buffalo English language paper, **Everybody's Daily** carries the largest volume of local advertising of any daily newspaper in the Buffalo area.

*BUFLOPOLE proper, 172,670; Immediate vicinity, 64,044.

POLISH EVERYBODY'S DAILY

Belongs on every advertising list for cities over 250,000

Why don't you, too, join the "Sales Letter Round Table"?

In the belief that many sales and advertising executives would profit from participating in a round table through which the best sales letters of the month could be exchanged, this magazine is initiating "The Sales Letter Round Table."

Each person who becomes a member of the "Sales Letter Round Table" will send to SALES MANAGEMENT each month his outstanding letter of the month. It might be a collection letter, a sales letter, a letter to salesmen—any kind of letter. The SALES MANAGEMENT staff will then select the best 25, reproduce them, and send the collection to every member of the club. Maxwell Droke will pick really outstanding examples for mention in his "Sales Letters" page.

To cover the cost of reproduction and mailing, a service fee of \$10 a year will be charged to members, payable in advance.

It is quite possible that SALES MANAGEMENT will later announce an award of a cup to the club member whose work over a year's period seems to be the most meritorious.

This is not a plan we are promoting for profit. It will be put into operation only if a minimum of 100 voluntarily express a wish to participate. If less than this number sign up before September 15, deposits will be returned to those who are already enlisted.

Any sales or advertising executive who is interested in participating in, or who desires more detailed information about this new "Round Table" should communicate immediately with

SALES MANAGEMENT

420 Lexington Avenue
New York City

About this New Bird: Is It an Eagle or a Hawk

(Continued from page 164)

nationally advertised goods, then is it not only reasonable to conclude that he will buy nationally advertised goods from the larger corporations instead of a lot of unknown and special brands from manufacturers who formerly were able to interest him by an inside 5 or 10 per cent?

The jobber, in my judgment—if the new deal is carried out—will lose in strength because he will not be able to play one manufacturer against another. With all manufacturers selling at practically the same price, or with an open price system and with all secret rebates withdrawn, the chiselling jobber is not going to have the good time he has had in the past trimming the various manufacturers. Therefore, if the codes are maintained the jobber will become less and less of a merchandiser on his own account and more and more just a distributor of goods that are called for by the retail trade. Instead of attempting to dictate what the retailer shall buy the jobber's function will be to supply the retailer with what he wants as dictated to the retailer by the calls of the consumer.

Heyday for National Brands

Such being the case, it seems to the writer, on the assumption that this code plan will be successful, that first of all national advertising instead of becoming less should become greater. There must be more and better advertising of national brands to the consumer. Next, as the retail dealer will be in direct contact with the consumer, it is our belief that the position of the retailer will be very much strengthened. He will be able to fill this national demand largely created by the manufacturer on national brands at a fair and reasonable profit. This profit cannot be taken away from him by cut prices on the part of chain stores, or by mail-order houses using the advertised goods simply to influence other business. The intelligent, energetic retailer will, therefore, naturally tie up the advertising of his store, his show windows, and the training of his clerks, with the sale of those lines of goods that already have wide consumer demand, and that enjoy the confidence of the public.

To sum up the whole matter, the new NRA code will be the greatest blow that has ever been delivered at the substitution system. The expression, "just as good," will lose its weight in retail selling. Therefore,

my conclusion from the selling standpoint is that while the jobber should be considered just as a distributor, without hoping for too much from his efforts in the development of business, his service will be valuable in his having the goods on his shelves so they can be distributed quickly to the retail dealer. The great weight of selling under the new deal, it seems to me, will be developed first in putting goods over to the consumer. In other words, in developing consumer demand. Next in importance will be the seeing that your goods are favored by the retail dealer, and that in buying from a jobber he insists that your goods be supplied. I believe that sales campaigns, in a large measure, will follow these lines.

Rails Still at Odds on Rate Reductions; G. N. Cuts to 2 Cents

Coach and tourist sleeper fares on the Great Northern railway system were reduced to 2 cents a mile on August 1. Standard Pullman sleeper fares remain at the old price, 3.6 cents per mile. In this reduction the Great Northern is going it alone.

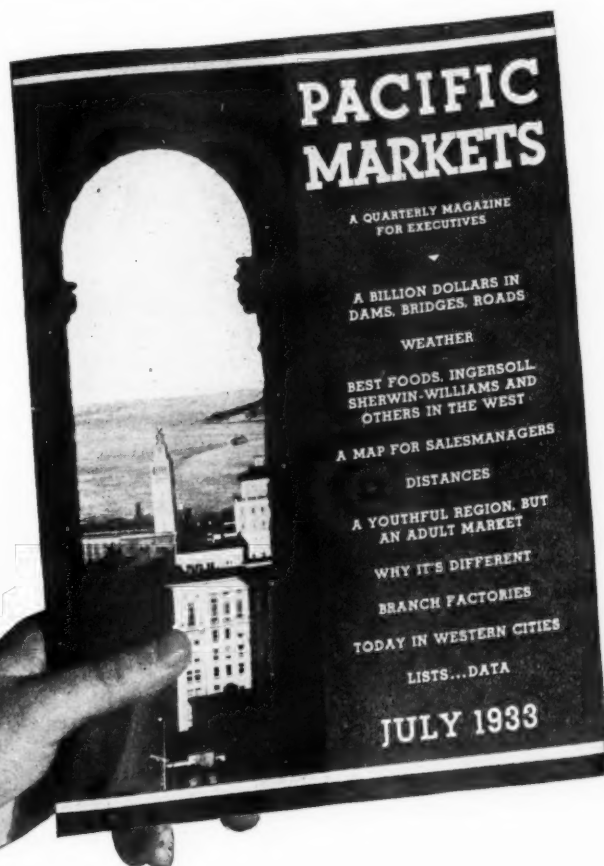
The action came after months of argument and useless persuasion on the part of Great Northern officials who had hoped to get the other roads in the Western Passenger Association territory to join in the movement.

Officials of the Great Northern contended that the popularity of the 2-cents-a-mile scrip book, in effect since last winter, has proved that business can be built up by the railroads at the 2-cent rate.

Hot arguments followed, it is said, and for a time it looked as if the whole rate structure in the West would go two cents. Some of the lines favoring the 2-cent rate, but restrained by the vote of the others, are watching the experiment closely and if it proves successful there is likelihood that others will follow.

Eastern railroads so far have refused to give the western lines any encouragement in the plan to reduce transportation costs on a broad basis. Railroad men here appear to be of the opinion that further reductions will occur in the western territory bringing various lines down to the Great Northern level.

A limited number of copies of this new quarterly magazine have been set aside for readers of Sales Management. A request will bring your copy while the supply lasts.



THE LURE OF THE WEST ... For Salesmanagers

Here is a new source of first-hand, reliable, up-to-date information about the fast-growing, rich, *different*, Pacific Coast area. The July issue of the new quarterly, Pacific Markets, brings you a fund of news and data of present interest and permanent value. An article details construction projects now in progress or about to be started representing an expenditure of over ONE BILLION DOLLARS—all in the states of the Pacific Slope. This, plus a reviving tourist business, plus new hundreds of millions for Coast lumber and agriculture, and other plus factors, assures expanding markets for your products in this free-spending field.

Other articles in the July issue present

facts on current conditions in leading Coast cities...effects of legal wine and beer... western population... western weather and its merchandising implications... how eastern companies distribute and sell in this far-flung territory... There is a map for salesmanagers, useful to any company selling in the West; lists of wholesalers, department stores, branch factories; page after page of useful, intensely interesting information, well illustrated with photographs, drawings and charts. All this is yours for the asking because we want you to know the Pacific Coast in more intimate detail. Your request will not obligate you—the privilege is ours!

To request your free copy, write your name and address in the margin below (or attach business card or letterhead) and mail promptly to:

PACIFIC MARKETS

564 Market Street • • San Francisco, California

Sales Letters

BY MAXWELL DROKE

Total Eclipse for Price Salesmen under NRA?

Events of the past thirty days have descended upon us with such dizzying suddenness that it is still rather difficult to tell where we stand, or, indeed, if we are standing at all.

A month ago, NRA represented merely three assorted letters in the alphabet. Now the combination has taken on a significance that is apparent to every school child. And General Johnson's "blue hawk" bids fair to become the most be-pictured pet in the avian kingdom.

What is it all about? Whither is it leading—or driving—us? In these tumultuous times the soothsayer's position is a hazardous one. But in our deep perplexity, it is only natural that we should make inquiry. Watchman, what of the knight who takes his typewriter in hand and goes forth to battle for business? How shall it profit a scribe if his industry gains a whole new code—and he loseth the technique of a lifetime?

And that is precisely what is likely to happen to an entire school of sales letter writers who have drawn their sustenance from the ample bosom of the Goddess of Price. If, as now seems probable, Price in the new era is to lose caste and countenance as a talking point, the plight of these scribes is sad to contemplate. They will be left high and dry, with nothing to talk about! Will these unfortunates be able to devise a new technique, and write constructively of the merchandise rather than the price-tag?

"I doubt it," said the Walrus to the Carpenter, and shed a bitter tear.

When New Men Step into Your Old Buyers' Shoes

Some months ago I had occasion to quote briefly from a timely book, issued by S. D. Warren Company, the paper merchants of Boston. Now I must again commend them for a folder on the theme, "What Can Be Done NOW?" Because it shows so clearly what's happening in business these days, I give you the first few paragraphs:

"The latest news of business changes appears in the daily reports of salesmen. The news items are local and personal, and they fill only a little space, but they reveal significant information to business men who have goods to sell.

"The salesman's comments—'Bridges has left the Acme Company' and 'Peerless has a new buyer named Grayson'—appear as screaming headlines to the sales manager who reads them.



Maxwell Droke

Standing Invitation

Mr. Droke is always glad to criticize sales letters and direct mail messages for our subscribers. There is no cost or obligation for this service. Address him in care of SALES MANAGEMENT, enclosing a stamped, addressed envelope.

"The sales manager recalls the slow, step-by-step procedure that established the business friendship with Bridges of Acme. . . . And now 'Bridges has left the Acme Company.' In this headline the sales manager reads the news that all of this must be begun over again."

The folder then leads up to the point that old facts must be presented to many buyers to whom those facts will be new—and that the process of education may be quickened by providing salesmen with adequate sales promotion material.

Nursing the Conservative Prospect by Mail

The world is so full of a number of "Do it NOW's" that I was somewhat pleasantly surprised to note this concluding paragraph in a letter despatched by a metropolitan newspaper to local bankers. The purpose of the letter—one of a series, incidentally—was to set the bankers thinking on a cooperative, educational advertising campaign. The advertising manager of the newspaper stated his case, ably and interestingly. But, realizing the psychology of the banker, he knew that immediate action was highly improbable. So, instead of the usual high-pressure tactics, he capitalized the situation by urging that a little more time be taken:

"Do not send for a newspaper representative yet. Just think about this matter of bank advertising. Turn it over in your mind. Ask yourself if novelties, leaflets, signs in the window, carry your message to the public with the prestige and authority of that powerful metropolitan newspaper, *The Daily* —."

Letter Series Pitfalls

And while we are touching on the subject of the letter series, perhaps a word of caution may not come amiss. I have, I think, mentioned this point before, but several series have come to my desk lately in which I note a growing tendency to cover a single sales point in each letter.

In a way, this is all to the good. Each letter should have its primary theme. But do not lose sight of the fact that the prospect does not receive and read these missives as a unit. They are spaced at intervals of a week or longer. And each must stand on its own feet. While, quite properly, one feature is emphasized, the other principal talking points should be

briefly reviewed each time. In other words, forget that you are writing a series, and treat each letter as though it were the only one your prospect is ever likely to see.

What Is Going to Happen to Salesmen's Saturdays?

What may happen to the salesman's Saturday, under the rules and regulations of NRA, remains to be seen. But on the whole it has been a day of very little worth-while accomplishment. Yet the potential possibilities are surely worth considering. E. L. Giles, of Virginia Baking Company, in a recent bulletin to his sales force, points out sundry ways in which Saturday hours may be turned to constructive channels:

"In the first place, there are always some customers who do not object to being called upon on Saturday. There are even some who prefer it, because of working their trade during the week, or for some other reason. If you know your territory, you know who these men are. Go to see them. Never forget that the law of averages works on Saturdays, just as on every other day of the week. The more calls the more sales; the more sales the more profits.

"In addition to calls on regular customers and prospects, utilize Saturday to call on restaurants, confectioners and others who are not affected so greatly by the Saturday rush. Take this day to service display cabinets. If these cabinets have been neglected, put them up near the front of the store or warehouse. Clean them up so they will present an attractive appearance. Put in new stock if needed. Rearrange the customer's stock; help him to make an attractive display.

"Another good thing to do on Saturdays is to strengthen your contact with jobbers' salesmen. . . ."

Strengthening Relations with Stockholders

It is interesting to observe the increasing interest which large corporations are taking in small stockholders. I quote the following letter, personally signed by Frank Phillips, president of Phillips Petroleum Company, sent to a minor stockholder who disposed of his holdings:

"I am sorry to find that you are no longer one of our stockholders of record.

"The oil industry has been passing through a most trying period, and Phillips Petroleum Company stock, along with many others, has declined to a very low level. This industry, however, cannot remain permanently depressed; and we believe that patient stockholders will be abundantly rewarded in course of time.

"It may be that your stock interest in our company continues, notwithstanding the transfer. In that event this will serve to express our appreciation of your confidence. In the other event, we hope that at some time in the future your name will again be on our stockholders' list."

Three-fold Plan Behind Taylor Sales Jump

(Continued from page 151)

ware trade papers is running simultaneously.

In March, after these plans had been formulated, two large brochures were sent out by Taylor—one to desirable wholesalers, the other to already established retailers.

The brochure to wholesalers received a unanimously enthusiastic response, of which this letter is typical:

"We feel confident that this action will be profitable to you, and if you will stand back of this policy we pledge you our support, as well as that of (another wholesaler in another important center). We are notifying our twenty-five salesmen of your action and we are asking them to boost and push your product."

Jobbers Applaud—and Push

Taylor have in their files dozens of letters written by jobbers to their salesmen in reference to Taylor's plan. We picked the following one out at random:

"Any concern that will come out frankly with such a straight jobbing policy we must support, and it should have the interest of every one in our organization, particularly the traveling men who depend to a great extent upon the manufacturer's policy of distribution. Therefore, we ask each and every traveling man to see that this policy is properly presented to the hardware dealers in order that they will receive it as it is intended.

"You should explain to the hardware dealers that it reduces the manufacturer's selling expense and enables the manufacturer to carry stocks in the proper geographical locations that will afford them proper distribution and give the dealer better service and enable the manufacturer to reduce his internal detail and operating expenses; thereby placing him, as well as the wholesaler, in position to give the dealer better values, and in many instances better value for less money."

The brochure to drug and hardware retailers, of course, was a combination of announcement that Taylor would no longer do business direct with them, and a selling talk on why it was to the advantage of all parties to embrace the new policy.

Nor was the matter of educating and firing with enthusiasm Taylor's own sales force neglected. At the inception of the new plans, Mr. W. M. Griffith, the sales manager, held regional or individual conferences with his sales force.

He explained the reasons for, and the results of the new design program; the sales policy; the advertising plans, and the window and counter displays he wanted them to push. He gave them a formal education in up-to-the-

minute selling, and sent them out into the field armed with information and enthusiasm.

One by-product result of Taylor's reconstruction program was the decision to eliminate the name "Tycos" from the group of their instruments, which, because of their more technical nature, had been designated differently. Now practically every instrument manufactured by the company, as well as descriptive material and advertising, will carry the name Taylor throughout. Carrying this spirit of solidarity to its logical conclusion, Mr. Teague has designed cartons of distinguished and uniform style for the entire line.

Railway Express Agency Speeds Up Air Service

Many reports appear regarding the increased volume of air passenger traffic and of the shortening of the time schedules due to faster planes. Corresponding progress is evidenced by the new time schedules of the Railway Express Agency Air Service.

Starting from New York, the following are examples of air express speed: Vancouver, B. C., 30¼ hours. Dresses are now being shipped to Houston on an overnight basis; water lilies from

Pasadena to Washington for the President's wife in about one night and one day. Does this all have an application to your business?

"Advertising Opportunity Now Best in Three Years," Says Campbell Soup

"In the Company's opinion," says a statement from Campbell Soup Company, "an opinion molded by long experience in fair weather and foul, there exists today a greater opportunity to secure response to advertising than has existed at any time within the last three years. Advertising messages are now reaching more people who have money to spend."

Acting on this conclusion, Campbell's will concentrate for the next three months on their tomato soup "to a greater extent than at any time in the past six years." This advertising, the company claims, exceeds in scope the advertising of any other single food product on grocery shelves.

More than 56,000,000 printed page messages, appearing largely in magazines of national circulation in full color, are scheduled for the next three months, with as many more featuring the other soups in the Campbell line.

Important Announcement

BY

FISHER DISPLAY SERVICE, Inc. CHICAGO

IN every display installed by us for our various clients, a card as per copy below (by permission of the U. S. Government) is installed.



This card signifies that we pay a living wage to our window display installers and other employes for a 40-hour week.

Full consideration of our window display installers insures better and more conscientious service to our clients and ourselves.

Are your displays installed by a responsible and reputable Window Display Installation Organization?

Yours For Better Business,

FISHER DISPLAY SERVICE, INC.,
560 West Lake Street, Chicago, Ill.

C o m m e n t

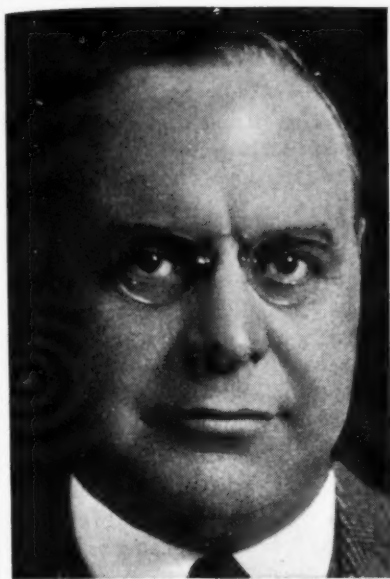
WE SALUTE NRA: We, too, have joined the NRA. Irrespective of party ties and all other considerations, it is our solemn belief that in an emergency such as our country is still facing, it is the duty of all of us to support the President. There can be much discussion on both sides as to whether the scope, method and execution are entirely correct, but the fact remains that President Roosevelt is offering us a concrete program for recovery. Time alone can tell the degree to which it will be successful, but it can only be successful, as the President very clearly states, with the full, whole-hearted cooperation of employers and employees throughout the country. . . . Hence, we have joined the NRA in order to do our small part. . . . Most business concerns have also seen their way clear to add their support to this movement. We urge those who are hesitating about joining the NRA to review most carefully the President's request as we are certain that they, like many others, will finally come to the conclusion that the movement holds out a distinct opportunity for the rehabilitation of the economic life of the nation and the restoration of prosperity among the people of the United States. . . . If NRA does no more than (1) eliminate the disgrace of child labor, (2) make it impossible for the exploiter of labor to profit in competition with those who are considerate of labor and (3) eradicate the curse of wide-scale profitless selling, it will have accomplished more for the welfare and honor of the American people than we might have hoped to accomplish through "normal evolution" in the next fifty years. Moreover, with such a record to its credit, NRA can easily withstand the sniping criticism of those who dwell on its minor imperfections instead of harping on its major benefits. . . . Perfection in the management of human affairs has not been attained anywhere, any time, in the history of man. It never will be. Success along such lines must always be relative. Certainly, however, all men of sound judgment can distinguish between the relative importance of what is good and what is bad. Measured on such a basis, NRA is not only revolutionary in concept, it is epochal in the history of government and of human relations. Once more, then, we can be proud of the U. S. A. and of its newest and very possibly most God-like contribution to the progress of the world. Out of an era of egotism, dishonesty and selfishness-carried-to-extreme, we are emerging cleaner, saner and, above all, with a deeper and more understanding feeling toward our fellow men. From this time forward, the promoters of avarice and abuse—



be they from whatever country—will slowly but surely wither before the Light of *The New American*.

WHAT PRICE LUXURY: We are thinking of a specific industry in the high-priced luxury class. According to present plans the working week goes down from 48 to 40 hours; the weekly pay goes up slightly over 10 per cent. This represents an increased labor cost of over 25 per cent and, when added to increased costs of materials, means a new price level at least 33 1/3 per cent higher for the product of this industry. . . . Remember, it is a high-priced luxury. Suppose the shortening of the working week does, temporarily at least, increase the volume of employment. How does a 10 per cent increase in the weekly wages as measured in dollars or the addition of more workmen greatly increase the ability of these workmen—or anyone else—to buy high-priced products that have to be marked up 33 1/3 per cent? The question is not easy to answer in terms understandable by the lay business man and yet this situation finds a parallel in the case of a good many other high-priced luxury products. . . . In fact, the more one studies this phase of the recovery trend, the more one is led to believe that the primary benefits from a manufacturing standpoint are going to accrue to those who are serving mass rather than class markets. The growth in the demand for super luxuries must still await the return of sizable profits for entrepreneur efforts of all kinds and the stepping-up of compensation for executives. Small wonder, for instance, that the great increase in the automotive market has come in the lowest-priced models. . . . In case we were a manufacturer of class products and had not already come to such a conclusion, we think we should immediately embark on plans for two distinct lines—one to serve the mass market and the other to serve the class market. The mere fact that large-scale competition already exists in the mass field would not deter us. Salesmanship and not volume of production is going to be the most important factor in competition during the years which lie immediately ahead. Also, as the mass market expands due to the stepping-up of its purchasing power as measured in total units and per unit, we shall undoubtedly witness an increasing trend to variety in tastes. The wants of our people are never going to be standardized, particularly on a market of rising purchasing power among the masses. On the other hand, we should not abandon the theory or practice of super quality, as it seems probable that the longer time trend will head more and more to products of superior quality made ever cheaper in dollar cost through improved methods of manufacture.

Ray Bill



Kaiden-Keystone

S. R. Latshaw

Periodical Publishers Unite; Have Prepared Code

Publishers representing 75 per cent of the total volume (advertising and circulation) met in New York last week and formed the Periodical Publishers Institute. The group does not include daily or weekly newspapers, which have their own organization and code. S. R. Latshaw, president of the Butterick Publishing Company, was elected chairman of the institute. Among the provisions of the code are:

1. Recognition of the fact that neither the subscription price nor the advertising rates of publications can be increased overnight and the impracticability of assuring each and every issue being profitable because of the wide fluctuation in advertising volume on a per issue basis.
2. Provision that the industry shall establish definite regulations designed to prevent the publication of misleading and/or untruthful advertising.
3. Provision that the circulation records of every publisher shall be open freely for inspection by advertisers or advertising agents.
4. Provision that all advertising rates be filed with the Institute and maintained without deviation or without elimination of short rate charges.
5. Provision against defamation of competitors.
6. Voting representation is on the basis of one vote for each periodical, plus an extra vote for each \$100,000 of annual business (advertising and circulation income) over and above the first \$100,000.

LOYALTY WITH A CAPITAL L

● One vital asset in any magazine's circulation is reader loyalty. If readers are loyal to the editors of a magazine, it naturally follows that they will be loyal to the products of that magazine's advertisers. Few magazines can match the loyalty which the editors of Physical Culture Magazine have enjoyed for these many, many years. It's loyalty with a capital L.

The reason is perfectly clear. For some years now, Editor Bernarr Macfadden and his associate editors have made it their business to assist their readers in solving personal problems. And there is nothing more vital to anyone than a perplexing problem affecting his business or home life. Often upon the solution of said problem hinges the success or failure of his social or business life. Sometimes both are involved.

Consequently, Mr. Macfadden and his associate editors always welcome intimate discussions of pertinent personal problems of their readers. Never is a reader who writes to Mr. Macfadden for advice turned down. His letter stating a personal problem is either answered directly by correspondence, or by authoritative articles in Physical Culture Magazine. In fact, Physical Culture has so repeatedly rendered valuable assistance to thousands and thousands of readers that today it is really known as "The Personal Problem Magazine."

In these discussions of Personal Problems are included

problems of health, feminine hygiene, child care, food, family relationship, and a hundred and one other vital subjects which the more than a quarter of a million loyal readers of Physical Culture Magazine encounter in their daily lives. When faced with a problem, these Physical Culture readers without hesitation ask Mr. Macfadden to help them arrive at a practical and satisfactory solution. They ask him for advice because they know from experience that he will respond with the right answer.

Any wonder then why Physical Culture has a peerless audience for loyalty and responsiveness. Any wonder too that the circulation of Physical Culture Magazine is up—July and August issues alone showed some 25% increased newsstand sale. No small feat for these times.

If yours is a product that can be bought and used by more than a quarter of a million families—every-day folks like you and I—the advertising pages of Physical Culture Magazine offer you the opportunity to cultivate them. And if you cultivate and sell them properly, your product too will command loyalty with a capital L from these more than a quarter of a million Physical Culture Magazine families.

John F. Learter

AN ADVERTISEMENT FOR PHYSICAL CULTURE MAGAZINE



Your
Chance
to
Buy

Good Books at a Bargain!

One of the curses of the publishing business is that books will become slightly damaged, soiled and shelf-worn. In content, they are as good as new. But of course such volumes can be sold only at a discount. Right now we are taking our mid-summer inventory, and it's heart-breaking to discover that we have a number of these not-quite-up-to-par volumes. So, while we weep, the smart buyer can reap.

The Letter Laboratory:—This is Maxwell Droke's famous compilation of letters and letter data. It presents and analyzes scores of letters to meet every business need. Answers all the questions you've been asking about letters. We have perhaps two dozen sets of the latest edition that have failed to keep that schoolgirl complexion. Contents undamaged, and they look better than the average book that has seen desk service for a month. Regular price, \$7.50, but you may have one of these for \$3.75.

The Credit Laboratory:—Only 38 copies remain of the fourth edition. A few more than we need as souvenirs. Candor forces us to admit that they are shelf-worn, but the information is there! This work is really a credit man's encyclopedia. More practical credit and collection data than we have ever seen between two covers. Priced at \$7.50, but if you are quick on the get-away you can have one of these for \$2.50.

Take a Letter . . . by Jack Garrett, who made his reputation answering inquiries for the big mail-order houses. The best book we know of on the art of dictating effective business letters. A few copies the stock-room boy carelessly failed to enclose in dust-proof cartons. We lose. You profit. Regular price, \$3.00. Order yours at \$2.00.

Salesman's Idea Incubator: Four pocket-size volumes, beautifully bound. Enough first-rate inspirational material here to fill your house organ and sales bulletins for a year. Undamaged; but we'll need the shelf room in September, so we are parting with a few sets at half-price. Regular \$4.00 value, but the nimble sales executive gets his now at \$2.00.

Special Offer: We thought we were sold out on a popular Survey, "How to Plan and Write Follow-Up Letters", but just found a box of 100. If you care to send remittance with your order, saving us bookkeeping expense, we'll include one of these \$1.50 Surveys **FREE of charge**. Money-back guarantee on anything you buy of us, at any time.

MAXWELL DROKE
P. O. Box 611-L
Indianapolis, Indiana

Spot News on the NRA

(Continued from page 156)

sentatives of the food industries, when he said that one of the real objectives of the administration was to reduce the spread between producer and consumer. He appreciated the problem that manufacturers will have over the emergency period of the next two months in paying out more money in wages before they get this money back through higher prices.

But he pointed out to them that sales always come easier in advancing than in receding markets, and that the threat of higher prices through inflation or other means would continue for some time to act as a spur on trade. Increased profits can come through higher prices, higher volume, elimination of destructive and costly trade practices—or by a combination of the three. This combination will be supplied under Government auspices even though for the time being price increases will be kept under restraint.

A New Idea in Quantity Discounts

The carpet and rug code contains a new conception of retail allowances—based on two factors, mill production and volume purchases, which protects the smaller manufacturer who has a limited line and the smaller dealer. In addition to the customary wholesale discounts, an annual allowance may be paid by the manufacturer to the retailer in accordance with dollar volume of sales for the preceding year of the manufacturer and in accordance with the dollar volumes billed to the retailer. A retailer, for example, is entitled to a 5 per cent discount if he buys goods valued at \$37,500 from a manufacturer who does a business under one million, but to get the same discount he must buy \$75,000 worth from mills in the one-three million class, \$150,000 from those doing three to five million, and \$250,000 from those in the over five million class. The discounts range from 5 down to 2 per cent (six classes) and the retail purchase volume from \$3,000 up to \$250,000.

Blow at Cooperative Buying

This same Institute of Carpet Manufacturers of America has restricted the allowances mentioned above to independent retailers and any group of stores wholly owned and managed by one group of stockholders or a partnership, and it shall be considered unfair competition for a manu-

facturer to permit a group of retailers—unless such group is wholly owned and managed by one group of stockholders or a partnership—to purchase his merchandise through one member of such group for re-distribution. A list of the stores entitled to be regarded as single buying units is to be supplied by the Institute to members immediately prior to the opening of each season and shall not be added to excepting at such times.

NRA Brand on All Garments

The code of the cloak trade as approved by NRA contains the provisions that "all garments manufactured and distributed shall bear a NRA label which shall be attached to every garment. It shall bear a registration number specially assigned to each employer and remain attached to such garment when placed on sale by the retail distributor."

Barbasol Offers Razor; Gillette and Williams Join in "New Deal"

As a result of successful newspaper test campaigns in the Middle West, Barbasol Company, Indianapolis, will start nation-wide promotion of its new razors and blades in the fall.

The new blades—slotted and double-edged—are sold in packages of two and five, at the rate of 5 cents a blade. Display cards containing 20 packages of both sizes are employed.

Claiming for several years to have the "world's fastest selling shaving cream," Barbasol Company hopes for similar turnover on the new products.

Meanwhile, J. B. Williams Company, Glastonbury, Connecticut, is introducing its Glider brushless shave in a deal with Gillette Safety Razor Company—a 35-cent tube of Glider and a 50-cent pack of Gillette blades being offered for 49 cents.

Correction

Mickey Mouse products, though flourishing, were given more credit than they deserved in an article entitled "Mickey Mouse—Salesman," in the July 15 SM. Mr. E. J. Mather, of Southern Dairies, is quoted therein as saying that during the first month in which the company had enjoyed a tonnage increase in 33 months, 85 per cent of the business done was done on Mickey Mouse ice cream cups. The statement should have read, "Mickey Mouse Cup sales amounted to 85 per cent of our increase." Our apologies to Southern Dairies and to our readers.—THE EDITORS.

Smokers Mold Van Dyck Ads

(Continued from page 153)

newspapers and a number of them were influenced to put in the necessary equipment as a result of General Cigar's wide use of and satisfactory experience with color. In the eastern part of the present program, color-gravure, as well as r. o. p., is being employed. General Cigar executives expect that when the final standings are in the color copy will have pulled three or four times as many coupons—in proportion to space and circulation, of course—as the black and white.

Some comparative standings on coupon returns from the Middle West were worked out for SALES MANAGEMENT. For instance, *full-page space, black and white*, in two newspapers, with a combined circulation of 304,028, brought 869 ballots, or 2.9 a thousand. *One-half page space, run-of-paper color*, in four pages, with a combined circulation of 1,141,087, brought 2,919 ballots, or 2.6 a thousand. In other words, the half-pages in color were virtually as effective as full pages in black-and-white. This is borne out by the fact that the ballot returns from *full-page r. o. p. color* in 13 papers (combined circulation 3,124,129) were 16,124, or 5.2 a thousand circulation—exactly twice those from the half-pages in color and almost twice those from the full pages in black-and-white. Full-page color-gravure is being used in several of the 21 newspapers comprising the present eastern campaign. General Cigar Company executives expect that returns from colorgravure will more than justify the higher rate involved.

Cover 22 Jobbing Areas

"In each area, our own and our jobbers' salesmen started to take orders for Van Dyck '1932's' about four weeks before the newspaper advertising broke," an executive explained. "Deliveries were all made the week preceding the start of the newspaper campaign, at which time the salesmen put up an attractive window poster and a box display card. The newspapers' merchandising departments also helped to arouse dealers' interest. We have, of course, scores of thousands of outlets all over the country. Many of them do not amount to much, but we have succeeded, though, in having the new Van Dyck on sale in more than half of the total outlets in each area, before the advertising appeared.

"In the New York metropolitan area, for example, we have 27,000

outlets. Before the advertising broke we had received from this group 15,000 orders, for 1,700,000 cigars, had placed 11,425 window posters and 9,879 box display cards.

"In each area we are using only the regular sales force, with the help of the jobbers' men and the newspapers. Up to now 22 jobbing areas have been covered.

"Many dealers have asked for ballots for distribution among their customers. But we've confined them wholly to newspapers.

"It may interest you to know that

sales of the 10-cent Van Dyck have held up well, in spite of competition from its 'little brother.' Robert Burns and William Penn are doing nicely. Then there's White Owl, which sold at the rate of over 425,000,000 during the first twelve months that followed its reduction to 5 cents.

"The 5-cent Van Dyck, in one year, has become quite an important member of our family. And its rapid increase in sales volume has not been due entirely to the opening of new territories. In Chicago, for example, only three months after the completion of the intensive introductory campaign, we found that Van Dyck '1932's' volume had increased 56 per cent."



Either more or less than
ABO* coverage in 1933
means intolerable waste

*ACTIVE BUYERS ONLY

MILL & FACTORY

A CONOVER-MAST PUBLICATION

205 E. 42nd St., New York City . . . 333 N. Michigan Ave., Chicago



This Booklet GIVES

49 facts you should know about advertising returns.

If you are not getting the most out of your advertising dollar—if you want to bring back more traceable returns from the money you spend,—send 10c to

cover mailing cost on this 16 page booklet.

It will show you how a little extra effort by mail will make all your advertising dollars work harder. 10c will bring it to you by mail.

Write on your letterhead to:

**DIRECT MAIL ADVERTISING
ASSOCIATION, Inc.**

13 West 23rd Street New York City

MAILING LISTS

Pave the way to more sales with actual names and addresses of live prospects.

Get them from the original compilers of basic list information—up to date—accurate—guaranteed.

Tell us about your business. We'll help you find the prospects. No obligation for consultation service.

FREE

**60 page Reference
Book and Mailing
LIST CATALOG**

Gives counts and prices on 8,000 lines of business. Shows you how to get special lists by territories and line of business. Auto lists of all kinds. Shows you how to use the mails to sell your products and services. Write today.

R. L. POLK & CO.

Polk Bldg.—Detroit, Mich.

Branches in Principal Cities

World's Largest City Directory Publishers

Mailing List Compilers. Business Statistics. Producers of Direct Mail Advertising.

**Aggressive, intelligent sales
representation of your product
in Wisconsin.**

THIS man possesses years of real selling experience. His thorough familiarity with conditions and actual present close contacts with many trade outlets, qualifies him to represent a manufacturer who feels that he would like to do more business in Milwaukee or Wisconsin, and to do it more economically. Complete information given if you will write.

Box 380

SALES MANAGEMENT

420 Lexington Ave., New York, N. Y.



A Mickey Mouse party held by Parkway in the Auditorium of Gimbel Brothers, Philadelphia.

Parkway Baking Company Builds Sales Through Children's Clubs

IN connection with an article printed in SALES MANAGEMENT, "Mickey Mouse — Salesman" (SM, July 15), the Parkway Baking Company of Philadelphia passes on information concerning their own method of building sales through Mickey Mouse promotions.

Of its experience one of the company's officers says: "We have found after two years' experience with these Kiddie Clubs that as a sales promoter and sales stimulator they are second to none."

Parkway has sponsored 27 Mickey Mouse clubs in Philadelphia through tie-ups with 27 theaters. Any child could become a club member and win the privilege of attending a free Mickey Mouse show on Saturday morning by purchasing a loaf of Parkway bread.

At the first "regular meeting" held after the free show, children received membership cards which they took home and filled out. At the next meeting they presented this card, which was stamped by the theater manager in the role of "Chief Mickey Mouse," and then official Mickey Mouse buttons were furnished. At the third meeting each child received a voting blank which he filled in with the name and address of some youngster he wanted to nominate for the various "offices" in the club: Chief Mickey Mouse, Chief Minnie Mouse, Master of Ceremonies, Color Bearer, Sergeant-at-Arms, and Cheer-Leader. Blanks were then shaken up in a barrel and drawings were made for the various offices. Officers received large buttons, indicating which office was held, and each group served for four weeks.

As an additional incentive, they

were allowed to come to the theaters any time during their term of office absolutely free. At the end of the four-week period the process was repeated, no youngster being allowed to serve more than one term.

During the time between the first and fourth meetings, a special film trailer was shown on the screen announcing a Mickey Mouse drawing contest with weekly prizes for the best drawing submitted in each theater. Blanks packed with every loaf of bread enumerated the rules of the contest.

Children presented drawings on Saturday of each week at the theaters where they were members. The manager picked four winners and awarded four prizes furnished by Parkway. These prizes were in turn furnished to Parkway by various manufacturers for the publicity received and for the advertisement carried on the bottom of the drawing blanks mentioning their product.

After 16 weeks a final elimination contest was held. Twenty grand prizes were awarded—trips to New York, Atlantic City, Washington; radios, Flexible Flyers and other items.

On the occasion of the award of the grand prizes, Parkway staged a Mickey Mouse picnic at a local amusement park. The regular club button entitled any child to participate in any of the amusements in the park free of charge.

During the 16-week period, Parkway ran four different film trailers advertising their own products as well as mentioning the prizes and contests. For the year 1932 they had 35,000 drawings submitted, and for 1933, thus far, 30,000.

The original application blanks used by the children were sorted and followed up by retail driver salesmen. The method of approach was to inquire for the name on the blank, and if the youngster was in, ask him how he enjoyed the show; if the mother was in, a query was made as to what kind of bread was used in the home and a special sales talk on Parkway given. The company reports that out of every 100 calls they won an average of 25 customers.

New Business Books Recently Received

Planning Profitable Restaurant Advertising. By J. O. Dahl. Published by the Little Gold Business Books, New York City. Price 50 cents.

Customer Control. By Herbert N. Casson. Published by *The Efficiency Magazine*, London. Price 5/-.

Practical Advertising. By Herbert Field King. Published by D. Appleton and Company, New York City. Price \$2.50.

Industrial Purchasing. By Howard T. Lewis. Published by Prentice-Hall, Inc., New York City. Price \$5.00.

Planning Profitable Hotel Advertising. By Charles K. Swafford. Price—single copies 50 cents; three for \$1.00; 10 for \$2.50; 25 for \$5.00.

The Irrepressible Conflict—Business vs. Finance. By David Cushman Coyle. Published by David Cushman Coyle, New York City. Price single copy 60 cents; two or more copies 50 cents each; ten or more copies 40 cents each.

Business Under the Recovery Act. By Lawrence Valenstein. Published by McGraw-Hill Book Company, Inc., New York City.

Labor Relations Under the Recovery Act. By Ordway Tead and Henry C. Metcalf. Published by Whittlesey House, McGraw-Hill Book Company, Inc., New York City. Price \$2.00.

The Private Secretary's Manual. Published by Prentice-Hall, Inc., New York City. Price \$3.50.

Modern Business English. By Babenroth, revised by Peter T. Ward. Published by Prentice-Hall, Inc., New York City. Price \$4.

Business Under the Recovery Act. By Lawrence Valenstein and E. B. Weiss. Published by Whittlesey House, McGraw-Hill Book Company, New York. Price \$2.50.

A Primer of New Deal Economics. By J. George Frederick. Published by The Business Bourse, New York. Price \$2.00.

Profit Engineering. By C. E. Knoeppel. Published by McGraw-Hill Book Company, Inc., New York City. Price \$3. A book on the technique of profit planning and control, based upon twenty-eight years of practical experience. It is in no sense theoretical, and only ordinary common sense would be required of the average business man to enable him to increase and stabilize his profits by applying the principles here laid down. This is a book that any executive who desires to improve his business organization and the methods of controlling its operations can ill afford to miss.—R. P.



LOW RATES

Comfortable rooms—
hospitable service
.... excellent inex-
pensive cuisine....

FROM FOUR DOLLARS
A DAY
COURT ROOMS—THREE FIFTY

MARK HOPKINS

OR

THE FAIRMONT

HOTELS

OVERLOOKING
SAN FRANCISCO

Your Product
+

Beacon Journal
Advertising

in

THE AKRON
MARKET

=

Sound
Profitable
Merchandising

AKRON
BEACON JOURNAL

BARGAINS IN LUXURY



For as little as \$3.00 a day you can enjoy the luxury and Minute Man Service of this famous hotel. Located in the smart Grand Central Zone, one block from Park Avenue. Restaurant prices are amazingly economical, too—luncheon 65c and dinner with dancing, \$1.00.

HOTEL LEXINGTON

48TH AND LEXINGTON AVENUE • NEW YORK
Under Ralph Hitz Direction • Chas. E. Rochester, Manager

Book—Cadillac, Detroit, and Van Cleve, Dayton, also under Ralph Hitz Direction



Booklets reviewed below are free unless otherwise specified, and available either through this office or direct from the publishers. In addressing this office, please use a separate letterhead for each booklet requested, to facilitate handling. The address is SALES MANAGEMENT Readers' Service Bureau, 420 Lexington Avenue, New York, N. Y.

Surveys for which a charge is made are so indicated. Requests for these, accompanied by the purchase price, should be mailed direct to the publishers.

What Is Bakelite? is an oft-repeated question, asked by most of us who have observed the many uses of this fascinating product—as automobile timing gears, distributor heads or gear shift knobs, cigarette holders, radio cabinets, in the liquid form as lacquers, and in scores of other commonplace but usually attractive articles. The Bakelite Corporation (River Road, Bound Brook, New Jersey) has prepared a small brochure answering the question in non-technical terms, entitled "*The Versatile Service of Bakelite Resinoid*." No small volume could describe all the processes or uses of this remarkable material. But you will find this brochure entirely adequate, decidedly worth while.

The Industrial Market—Where It Is—How to Reach It: As an aid to manufacturers of industrial supplies and equipment, in the important work of determining markets, establishing sales outlets to serve them adequately, and checking the efficiency of present distribution agencies, *Mill Supplies*, the magazine of industrial distribution (520 North Michigan Avenue, Chicago), has prepared a booklet containing industrial marketing statistics, by counties, for the entire country. This study is, of course, based on the last Census of Manufacturers, supplemented by information tabulating the kind of establishments for the principal counties of each state. Two maps are included, showing (1) concentration of manufacturing industries by counties (75 or less, 100, 150, 200 and more); and (2) concentration of industrial distributors by counties (none, 3, 9, 19, 20 or more). For each state there are four tables of information: (1) statistics for the state as a whole; (2) detailed statistics for principal counties; (3) detailed statistics for principal cities; (4) county statistics for manufacturing establishments, showing sixteen types of industry. This study was made available last December, but has not been offered through this department of SALES MANAGEMENT before. With manufacturing and distributing operations definitely on the upgrade, we believe that a study of these data will be helpful to manufacturers who sell to industry, both

in the establishment of sales territories, and in the correction of weak spots in the distribution structure. It will serve as a yardstick particularly for those concerns whose sales program has, like the well-remembered Topsy, "jus' growed," by providing a condensed and graphic means of applying fundamental principles of efficiency.

Where to Get the Right Names for Direct Mail Selling, and How to Use Them: Last Fall, this column commented briefly on "*Names—the Key to Sales*," and was fairly swamped with requests for copies. Judging by our experience, the claim of the publisher, the Addressograph-Multigraph Corporation, Cleveland, that 10,000 business men exhausted the entire first edition of the book, is a reasonable one. We are glad to list again a book, now offered in its second edition, that appeals to so large a section of our readers. Tells of the value of names as a business asset, how to compile a good mailing list, how to plan and prepare an effective direct-mail selling campaign, how to keep mailing lists alive, where to secure directories recommended for mailing list use. In short, how to make mailing lists a constant source of profit. Pocket size, bound in board, well printed. To the best of our knowledge, there is no better reference work on the subject available. Originally printed to sell for 50 cents—available without charge, from the publisher direct or through this office.

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Published by Sales Management, Inc., 420 Lexington Avenue, New York. Telephone: Mohawk 4-1760. Chicago, 333 North Michigan Avenue. Telephone: State 1266. Santa Barbara, California, 29 East De La Guerra Street. Subscription price, \$4.00 a year, including Markets and Media Reference Supplements; Canada, \$6.50.

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